TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

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TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 1. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

(Authority: A.R.S. § 4-101 et seq.)

Editor's Note: Some Sections of this Chapter were amended, adopted, and repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Chapter 307, § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and conduct a hearing. The changes were not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Some Sections of this Chapter were amended, adopted, and repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Chapter 234, § 22. Although exempt from certain portions of the rulemaking process, the Department was required to provide a notice of hearing and a public hearing before adopting these changes. At the time the Sections were amended, adopted, and repealed the Office of the Secretary of State was not allowed by law to file and publish exempt rules. The Department has now filed these changes with the Office of the Secretary of State as required pursuant to Laws 1991, Chapter 136 §§ 2 and 3 (Supp. 96-4).

19 A.A.C. 1, consisting of R19-1-101 through R19-1-111, and R19-1-201 through R19-1-257 recodified from 4 A.A.C. 15 consisting of R4-15-101 through R4-15-111, and R4-15-201 through R4-15-257 pursuant to R1-1-102 (Supp. 95-1).

Portions of this Chapter have been adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6), pursuant to Laws 1993, Ch. 133, § 49 and Laws 1994, Ch. 373, § 9. Exemption from A.R.S. Title 41, Chapter 6 means that the Department did not submit notice of this rulemaking to the Secretary of State's Office for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council; the Department was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

Because this Chapter contains rules which are exempt from the regular rulemaking process, it is printed on blue paper.

ARTICLE 1. STATE LIQUOR BOARD
(A.R.S. § 4-112(A))

Article 1 heading amended effective September 14, 1990, under an exemption from the provisions of the Administrative Procedure Act (Supp. 96-4).

Section
R19-1-101. Definitions
R19-1-102. Granting a License for a Certain Location
R19-1-103. Change in Proprietary Interest
R19-1-104. Repealed
R19-1-105. Knowledge of Law and Regulations
R19-1-106. Service of Complaints for Judicial Review
R19-1-107. Rehearing or Review of Decision
R19-1-108. Reserved
R19-1-109. Quota license selection process
R19-1-110. Reserved
R19-1-111. Election of Officers

ARTICLE 2. DIRECTOR
(A.R.S. § 4-112(B)(1))

Article 2 heading amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act (Supp. 97-2).

Article 2 heading amended effective September 14, 1990, under an exemption from the provisions of the Administrative Procedure Act (Supp. 96-4).

Section
R19-1-201. Distilling Apparatus Requirements
R19-1-202. Intrastate shipping requirements
R19-1-203. Intrastate shipping requirements
R19-1-204. Sign Limitations
R19-1-205. Draught beer signs
R19-1-206. Retail Delivery of Spirituous Liquor
R19-1-207. Repealed
R19-1-208. Storage on Unlicensed Premises
R19-1-209. Broken Package Prohibited -- Off-sale Premises
R19-1-210. Tax requirements
R19-1-211. Seizure, Liquors
R19-1-212. Repealed
R19-1-213. Violence, Report of
R19-1-214. Fetal Alcohol Sign Display
R19-1-215. Credit Law Exception
R19-1-216. Suspension, Adherence to Rules of
R19-1-217. Inducements, Prohibited
R19-1-218. Change of Address
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R19-1-220. Interstate Shipping, Importation, Labeling, Solicitation, Advertising
R19-1-221. Bottles, Reuse or Refilling Prohibited
R19-1-222. Records, Keeping of
R19-1-223. Conveyance License, Application Posting
R19-1-224. Repealed
R19-1-225. Closing, Notice of
R19-1-226. Closure Due to Violence
R19-1-227. Repealed
R19-1-228. Advertising, Misleading
R19-1-229. Liquors other than authorized by license
R19-1-230. Repealed
R19-1-231. Hotel/Motel/Restaurant Requirements
R19-1-232. Repealed
R19-1-233. Patio -- Outdoor Use Permission
R19-1-234. Repealed
R19-1-235. Clothing Requirements, Employees
R19-1-236. Sex Acts Prohibited, Real, or Simulated
R19-1-237. Obscene Films, Pictures Prohibited
R19-1-238. Repealed
R19-1-239. Filing of Legal or Equitable Interest
R19-1-240. Criteria for Issuing Restaurant License
R19-1-241. Tapping Equipment, Furnishing, Selling, and Servicing
R19-1-242. Retail Agents
R19-1-243. Surrender of Licenses/Interim Retail Permits
R19-1-244. Special Event License
R19-1-245. Commercial Coercion and Bribery
R19-1-246. Foodstuffs
R19-1-247. Non-alcoholic Malt Beverages, Wines, and Cocktail Mixers
R19-1-248. Display of License
R19-1-249. Repealed

R19-1-250. Exceptions to General Rule
R19-1-251. Employee Records
R19-1-252. Interim Permit/Tax Violations
R19-1-253. License Restriction Audits
R19-1-254. Microbrewery/Retail
R19-1-255. Age Restrictions
R19-1-256. Repealed
R19-1-257. Standards for Alcohol Training Programs

ARTICLE 3. UNLICENSED PREMISES DEFINITIONS AND LICENSING TIME-FRAMES

Article 3, consisting of R19-1-301 through R19-1-304, adopted effective September 14, 1990 (Supp. 96-4).

Section
R19-1-301. Definitions
R19-1-302. Exemptions to A.R.S. § 4-244.05
R19-1-303. Licensing Time-frames
R19-1-304. Public Facilities Exemption
R19-1-305. Underage Persons on Licensed Premises
Table A. Licensing Time-frames

ARTICLE 1. STATE LIQUOR BOARD

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-101. Definitions

In this Article, unless the context otherwise requires:

"Bona fide transaction" means any transaction between a licensee and a person that results in the change of ownership of the license.

"Business establishment or business premises" means the real property and improvements licensed under A.R.S. Title 4.

"Change in Ownership" means any change in the financial setup of a business establishment which in any way results in a person directly or indirectly becoming a controlling person.

"Judicial Review" is an appeal to superior court of a final agency decision.

"Licensed" means having a license or interim permit issued pursuant to this Title, including a license or interim permit on non-use status.

"Non-use" means when the Licensee has ceased engaging in the business activity covered by the licensee.

Historical Note

Former Rule 1; Former Section R4-15-01 renumbered as Section R4-15-101 without change effective October 8, 1982 (Supp. 82-5). Section repealed, new Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-101 recodified from R4-15-101 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

R19-1-102. Granting a License for a Certain Location

Local governing authorities and the Department may consider the following criteria in determining whether public convenience requires and that the best interest of the community will be substantially served by the issuance or transfer of a liquor license at a particular unlicensed location:

1. Petitions and testimony from persons in favor of or opposed to the issuance of a license who reside in, own or lease property in close proximity.
2. The number and series of licenses in close proximity.
3. Evidence that all necessary licenses and permits have been obtained from the state and all other governing bodies.
4. The residential and commercial population of the community and its likelihood of increasing, decreasing or remaining static.
5. Residential and commercial population density in close proximity.
6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers.
7. Effect on vehicular traffic in close proximity.
8. The compatibility of the proposed business with other activity in close proximity.
9. The effect or impact of the proposed premises on businesses or the residential neighborhood whose activities might be affected by granting the license.
10. The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report(s) of such activity at least 20 days before the hearing by the Board.
11. Comparison of the hours of operation of the proposed premises to the existing businesses in close proximity.

Historical Note

Former Rule 2; Former Section R4-15-02 renumbered as Section R4-15-102 without change effective October 8, 1982 (Supp. 82-5). Repealed effective July 11, 1983 (Supp. 83-4). New Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-102 recodified from R4-15-102 (Supp. 95-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-103. Change in Proprietary Interest

No licensee shall transfer, assign or make any change in ownership in such business, directly or indirectly, nor shall a partner purchase or otherwise acquire the interest held by any other controlling person or partner in the business, without notifying the Director within 30 days and filing such application, questionnaire or other documentation required by this Title.

Historical Note

Former Rule 3; Former Section R4-15-03 renumbered as Section R4-15-103 without change effective October 8, 1982 (Supp. 82-5). Section repealed, new Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-103 recodified from R4-15-103 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

R19-1-104. Repealed

Historical Note

Former Rule 4; Former Section R4-15-04 renumbered as Section R4-15-104 without change effective October 8, 1982 (Supp. 82-5). Repealed effective March 3, 1993 (Supp. 93-1). R19-1-104 recodified from R4-15-104 (Supp. 95-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Chapter 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-105. Knowledge of Law and Regulations

All licensees and their employees whose duties require or permit the handling of spirituous liquors shall be familiar with the liquor laws and the rules and regulations of the Director and of the State Liquor Board. It is the responsibility of the licensee to insure that all employees acquire the aforementioned knowledge.

Historical Note

Former Rule 5; Former Section R4-15-05 renumbered as Section R4-15-105 without change effective October 8, 1982 (Supp. 82-5). R19-1-105 recodified from R4-15-105 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-106. Service of Complaints for Judicial Review

Complaints for judicial review of a Director's or Board decision shall be served on the Director at the Department's office in Phoenix, Arizona.

Historical Note

Former Rule 6; Former Section R4-15-06 renumbered as Section R4-15-106 without change effective October 8, 1982 (Supp. 82-5). Amended effective July 11, 1983 (Supp. 83-4). Section repealed, new Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-106 recodified from R4-15-106 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-107. Rehearing or Review of Decision

A. A decision of the Director made pursuant to A.R.S. § 4-210 is an initial agency decision. If that decision is appealed to the Board, the determination by the Board, or by a panel established pursuant to A.R.S. § 4-111(D), shall be the final review of the agency decision and subsections (B) through (H) shall not apply.

B. If the Board makes the initial agency decision, except as provided in subsection (H), any party in a contested case before the Board who is aggrieved by that decision may file with the Board, not later than 15 days after service of the decision, a written motion for rehearing or review of the decision specifying the particular grounds therefor. For purposes of this subsection, a decision shall be deemed to have been served when personally delivered or mailed by certified mail to the party at his last known residence or place of business.

C. A motion for rehearing under this rule may be amended at any time before it is ruled upon by the Board. A response may be filed within 10 days after service of such a motion or amended motion by any other party. The Board may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.

D. A rehearing review of the decision may be granted for any of the following causes materially affecting the moving party's rights:

1. Irregularity in the administrative proceedings of the agency or its hearing officer or the prevailing party, or any order or abuse of discretion, whereby the moving party was deprived or a fair hearing;
2. Misconduct of the Board or its hearing officer or the prevailing party;
3. Accident or surprise which could not have been prevented by ordinary prudence;
4. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing;
5. Excessive or insufficient penalties;
6. Error in the admission or rejection of evidence or other errors of law occurring at the administrative hearing; or
7. That the decision is not justified by the evidence or is contrary to law.

E. The Board may affirm or modify the decision or grant a rehearing to all or any of the parties and on all or part of the issues for any of the reasons set forth in subsection (D). An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.

F. Not later than 15 days after a decision is rendered, the Board may on its own initiative order a rehearing or review of its decision for any reason for which it might have granted a rehearing on motion of a party. After giving the parties or their counsel notice and an opportunity to be heard on the matter, the Board may grant a motion for rehearing for a reason not stated in the motion. In either case the order granting such a rehearing shall specify the grounds therefor.

G. When a motion for rehearing is based upon affidavits, they shall be served with the motion. An opposing party may within ten days after such service serve opposing affidavits, which period may be extended for an additional period not exceeding 20 days by the Board for good cause shown or by written stipulation of the parties. Reply affidavits may be permitted.

H. If in a particular decision the Board makes specific findings that the immediate effectiveness of such decision is necessary for the immediate preservation of the public peace, health and safety and that a rehearing or review of the decision is impracticable, unnecessary or contrary to the public interest, the deci-

sion may be issued as a final decision without an opportunity for a rehearing or review. If a decision is issued as a final decision without an opportunity for rehearing, any application for judicial review of the decision shall be made within the time limits permitted for application for judicial review of the Board's final decision.

I. For purposes of this Section the terms "contested case" and "party" shall have the meaning defined in A.R.S. § 41-1001.

Historical Note

Adopted effective April 26, 1977 (Supp. 77-2). Former Section R4-15-07 renumbered as Section R4-15-107 without change effective October 8, 1982 (Supp. 82-5). Amended effective January 28, 1987 (Supp. 87-1). R19-1-107 recodified from R4-15-107 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

R19-1-108. Reserved

R19-1-109. Quota license selection process

A. For the purpose of randomly selecting applicants to be considered for the issuance of Series 06, Series 07 and Series 09 liquor licenses, a random selection method using a mechanical device shall be employed.

B. The random selection method shall consist of a drawing to be conducted in the following manner:

1. The name of each applicant shall be placed on forms of equal size and color provided by the Department.
2. The forms then shall be deposited in a transparent container (from which the drawing shall take place).
3. Sequentially numbered balls shall be deposited in a second transparent container. The number of plastic balls shall be equal to the number of licenses available plus an equal number of runners up.
4. Names shall be randomly drawn from the transparent container. As each name is drawn, a number will be matched with the name of the applicant drawn.
5. The drawing and matching of an applicant's name to a number will determine the order in which an applicant will be considered for a license. Runners up shall be eligible for consideration as licensees in the event that a successful applicant chooses not to be considered or is disqualified. Such consideration shall be in numerical order.
6. Applicants whose names are not drawn and matched with a number shall be deemed unsuccessful applicants.

Historical Note

Adopted as an emergency effective September 30, 1981, pursuant to A.R.S. § 1003, valid for only 90 days (Supp. 81-5). Former Section R4-15-09, Quota license selection process, adopted as an emergency, renumbered as Section R4-15-109, expired (Supp. 82-5). Adopted effective December 9, 1982 (Supp. 82-6). Spelling correction, subsection (B), paragraph (3) to adoption effective December 9, 1982 (Supp. 87-1). R19-1-109 recodified from R4-15-109 (Supp. 95-1).

R19-1-110. Reserved

R19-1-111. Election of Officers

The Board shall elect a chairman and vice chairman annually in February of each year. In the event of a vacancy in either office, an election for that office shall be held at the next regularly scheduled Board meeting.

Historical Note

Adopted effective March 3, 1993 (Supp. 93-1). R19-1-111 recodified from R4-15-111 (Supp. 95-1).

ARTICLE 2. DIRECTOR

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-201. Distilling Apparatus Requirements

All distilling apparatus shall be registered with the Director. Such registration shall contain:

1. A description covering type, capacity and other physical details;
2. Names and addresses of owner or owners;
3. A correct and complete address of the premises where such still or distilling apparatus is in operation or is stored;
4. Purposes for which apparatus will be used;
5. Photographs of the assembled apparatus; and
6. Copy of Bureau of Alcohol, Tobacco and Firearms Still Registration Permit.

Historical Note

Former Rule 1; Former Section R4-15-20 renumbered as Section R4-15-201 without change effective October 8, 1982 (Supp. 82-5). R-19-1-201 recodified from R4-15-201 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996, as required pursuant to Laws 1996, Ch. 307, § 19 (Supp. 96-4). Historical note corrected for clarification. Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

R19-1-202. Intrastate shipping requirements

No person, corporation, partnership or concern, whether or not licensed under the provision of Title 4, A.R.S., shall ship or offer for shipment or transportation to any point within this state from any other point within the state, any container, package or parcel, containing spirituous liquors unless said container, package or parcel shall in a conspicuous place show the name of the consignor or shipper and the name and address of the consignee or addressee in an equally conspicuous place showing that said container, package or parcel contains spirituous liquor. All of the aforesaid requirements shall be in the English language.

Historical Note

Former Rule 2; Former Section R4-15-21 renumbered as Section R4-15-202 without change effective October 8, 1982 (Supp. 82-5). R19-1-202 recodified from R4-15-202 (Supp. 95-1).

R19-1-203. Intrastate shipping requirements

With the exception of beer, no spirituous liquor shall be transported in wholesale from the place where sold for delivery to the purchaser unless the person in charge of the vehicle in which such spirituous liquors are to be transported shall, during the transportation, have in his possession a bona fide bill or memorandum from the seller to the purchaser showing the name and address of the seller and the

purchaser and the quantity and character of the beverages sold and transported. Upon the demand of any person having the authority of a police officer, constable or sheriff, the person in charge of such transportation shall exhibit the bill or memorandum.

Historical Note
Former Rule 3; Former Section R4-15-22 renumbered as Section R4-15-203 without change effective October 8, 1982 (Supp. 82-5). R19-1-203 recodified from R4-15-203 (Supp. 95-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-204. Sign Limitations

A. No person, firm, or corporation engaged in business as a manufacturer, distiller, brewer, vintner, or wholesaler or any officer, director, agent, or employee of such person shall directly or indirectly furnish, give, lend, rent, or sell to the retailer any sign for interior use exceeding 864 square inches in area, and said sign, for exterior use shall not exceed 864 square inches, provided that no such signs shall be offered or furnished by any manufacturer, distiller, brewer, vintner or wholesaler or by any officer, director, agent, or employee thereof, or by any other person as an inducement to the retailer to purchase or use the products of such manufacturer, distiller, brewer, vintner or wholesaler to the exclusion in whole or in part of the product of any competitor.

B. No outside sign or signs which in whole or in part advertise any alcoholic beverage may be erected or maintained by a licensed retailer at his own expense or erected or maintained on the premises of a licensed retailer by a manufacturer, distiller, brewer, vintner or wholesaler which exceeds in area 864 square inches which may be visible from any given point.

C. No signs or other advertising matter used in connection with the licensed premises of any retailer of alcoholic beverages shall be of any obnoxious, gaudy, blatant, offensive or obscene nature as determined by applying contemporary state standards.

D. The department will exercise discretion in regards to temporary signs complying with the above cited requirements. A sign is temporary if it is not displayed outside the retail establishment for longer than 7 days or inside for longer than 45 days. The temporary sign may be any size or made of any material. It may not be utilitarian except as to its advertising content.

E. Special events fully licensed are not subject to this limitation. Furnishing advertising copy (ad slicks) of nominal value is permissible. A poster may advertise an event in advance of the event as long as it meets these same requirements and is visible from inside establishments only.

Historical Note
Former Rule 4; Amended effective September 10, 1979 (Supp. 79-5). Former Section R4-15-23 renumbered as Section R4-15-204 without change effective October 8, 1982 (Supp. 82-5). R19-1-204 recodified from R4-15-204 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

R19-1-205. Draught beer signs

Every licensee who shall dispense any draught beer shall, upon the faucet, spigot or outlet from which said beer is drawn, attach and keep posted a clear and legible notice, placard or marker which shall in the English language indicate and declare the name or brand adopted by the manufacturer of such draught beer so dispensed by such licensee, and such notice, placard, or marker shall be so situated as to be clearly legible for a distance of at least ten feet from such spigot, faucet or outlet to a person with normal vision, and such notice, sign, or placard shall at all times be so situated as to be clearly legible from the place where such licensee serves any customer or consumer of such beer, and provided further that if such faucet, spigot, or other drawing device is in a location not within the room of the place of service and consumption of such beer, then and in that event there shall also be kept posted a similar notice, placard or marker in the place of service and consumption of such beer which shall truthfully state and indicate only the kinds and brands of draught beer actually on sale in the premises of said licensee.

Historical Note
Former Rule 5; Former Section R4-15-24 renumbered as Section R4-15-205 without change effective October 8, 1982 (Supp. 82-5). R19-1-205 recodified from R4-15-205 (Supp. 95-1).

Editor's Note: The following Section was repealed and a new Section adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6), pursuant to Laws 1993, Ch. 133, § 49. Exemption from A.R.S. Title 41, Chapter 6 means that the Department did not submit notice of this rulemaking to the Secretary of State's Office for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council; the Department was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-1-206. Retail Delivery of Spirituous Liquor

A. Definitions.
1. "Delivery" means the delivery of spirituous liquor pursuant to A.R.S. § 4-203(M) and this rule.
2. "Identification" means an unexpired driver's license issued by any state, an identification license issued pursuant to A.R.S. § 28-421.01, an armed services identification card or a valid unexpired passport showing a date of birth, with a photograph of the person named, on the identification.
3. "Licensee" means a retail licensee permitted to deliver spirituous liquor pursuant to A.R.S. § 4-203(M) or an employee of such licensee.
4. "Time of delivery" means when the person to whom delivery is made obtains physical possession of the spirituous liquor.
5. "Title 4" means Title 4 of the Arizona Revised Statutes and all rules under said Title.

B. A licensee shall make a record of delivery at the time of delivery on a form approved by the Department. The record of delivery shall be retained by the licensee for at least two years.

C. The form shall include:
1. The licensee's business name, address and liquor license number;
2. The date and time of delivery;
3. The address where delivered;
4. The type and brand of spirituous liquor delivered.
5. The printed name and signature of the person making delivery,
6. The printed name and signature of the person accepting delivery.

7. The type and serial number of the identification, and date of birth, for the person accepting delivery.

D. A licensee making delivery shall be liable for any violation of Title 4 in connection with such delivery with special emphasis on the following:

1. Delivery shall only be made by a person at least 21 years old.
2. Delivery shall only be made during the hours of lawful service of spirituous liquor.
3. Delivery shall not be made to an intoxicated or disorderly person.
4. Delivery shall only be made after identification has been shown by the person accepting delivery, the identification shows the person is of legal drinking age, and the information required to be recorded by this rule has been recorded.
5. Delivery shall not be made to the licensed premises of a retailer.

E. A licensee making delivery shall refuse to complete a delivery at any time prior to the time of delivery, if the licensee believes such delivery would constitute a violation of Title 4.

Historical Note

Former Rule 6; Former Section R4-15-25 renumbered as Section R4-15-206 without change effective October 8, 1982 (Supp. 82-5). Section repealed, new Section adopted effective May 26, 1993, under an exemption from A.R.S. Title 41, Chapter 6, pursuant to Laws 1993, Ch. 133, § 49 (Supp. 93-2). R19-1-206 recodified from R4-15-206 (Supp. 95-1).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-207. Repealed

Historical Note

Former Rule 7; Former Section R4-15-26 renumbered as Section R4-15-207 without change effective October 8, 1982 (Supp. 82-5). R19-1-207 recodified from R4-15-207 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-208. Storage on Unlicensed Premises

No licensee shall have consigned to him, receive or accept the delivery of or keep in storage any spirituous liquors upon any premises other than those described in his license without first having obtained written authorization from the Director.

Historical Note

Former Rule 8; Former Section R4-15-27 renumbered as Section R4-15-208 without change effective October 8, 1982 (Supp. 82-5). R19-1-208 recodified from R4-15-208 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996, as required pursuant to Laws 1996, Ch. 307, § 19 (Supp. 96-4). Historical note corrected for clarification. Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-209. Broken Package Prohibited -- Off-sale Premises

No off-sale retailer shall have upon his licensed premises any broken package of spirituous liquor, as defined by A.R.S. § 4-101. This rule applies to the actual container and not to the shipping case.

Historical Note

Former Rule 9; Former Section R4-15-28 renumbered as Section R4-15-209 without change effective October 8, 1982 (Supp. 82-5). R19-1-209 recodified from R4-15-209 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

R19-1-210. Tax requirements

No licensed wholesaler or retailer shall have in his possession or sell any spirituous liquors on which the state luxury taxes have not been accounted for as provided by law and upon which all federal taxes imposed by law have not been paid.

Historical Note

Former Rule 10; Former Section R4-15-29 renumbered as Section R4-15-210 without change effective October 8, 1982 (Supp. 82-5). R19-1-210 recodified from R4-15-210 (Supp. 95-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-211. Seizure, Liquors

Any spirituous liquors that shall be imported, transported, stored, sold or offered for sale, kept with the intent to sell or traffic in or be used in any manner whatsoever contrary to the law or to the rules of the Director or the board shall be subject to seizure by any peace officer.

Historical Note

Former Rule 11; Former Section R4-15-30 renumbered as Section R4-15-211 without change effective October 8, 1982 (Supp. 82-5). R19-1-211 recodified from R4-15-211 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-212. Repealed

Historical Note

Former Rule 12; Former Section R4-15-31 renumbered as Section R4-15-212 without change effective October 8, 1982 (Supp. 82-5). R19-1-212 recodified from R4-15-212 (Supp. 95-1). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-213. Violence, Report of

A licensee upon whose licensed premises an act of violence occurs shall make a detailed, written report of such act of violence to be hand delivered or deposited in the U.S. Mail within 7 days of the act of violence to the Department, unless the act of violence was previously reported to a law enforcement agency pursuant to A.R.S. § 4-244(37). A licensee shall also report in the same manner, acts of violence involving patrons entering or leaving the licensed premises which occur immediately adjacent to the licensed premises when the licensee knew or reasonably should have known of such acts of violence.

Historical Note

Former Rule 13; Former Section R4-15-32 renumbered as Section R4-15-213 without change effective October 8, 1982 (Supp. 82-5). R19-1-213 recodified from R4-15-213 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997; amended again effective June 10, 1997. Both amendments were made under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed and a new Section adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1991, Ch. 136, § 2 and 3. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed and new Section adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-214. Fetal Alcohol Sign Display

A. Definitions.
1. "Liquor" means spirituous liquor as defined in A.R.S. § 4-101.27.
2. "Room" means the licensed premises as defined in A.R.S. § 4-205.01(D).
3. "Sign" means the warning sign required by A.R.S. § 4-251.

B. Placement of Signs.
1. Each on sale retail liquor licensee shall conspicuously post a sign within 20 feet of each register where sales of liquor are made, or behind the bar.
2. In addition to the requirements of R19-1-214(B)(1):
   a. A Hotel-Motel licensee shall post at least 1 state supplied sign on the inside of the door of each room containing a mini-bar, or offering alcoholic beverages through room service, or in the alternative, at their own expense, display the required warning in a space measuring at least 1 inch by 2 inches on a room service bar menu, or mini-bar cost list, placard, folder, advertisement tent, or similar item placed in each room so as to be readily observable.
   b. A retail licensee using a mobile service device for the sale of liquor shall display the sign on such mobile serving device.
3. Each off sale liquor licensee shall conspicuously post a sign where a customer obtains the liquor.

Historical Note

Former Rule 14; Former Section R4-15-33 renumbered as Section R4-15-214 without change effective October 8, 1982 (Supp. 82-5). Former Section R4-15-214 repealed, new Section R4-15-214 adopted effective April 26, 1984 (Supp. 84-2). R19-1-214 recodified from R4-15-214 (Supp. 95-1). Section repealed, new Section adopted effective April 1, 1992, under an exemption from the Administrative Procedure Act pursuant to Laws 1991, Ch. 136, §§ 2 and 3; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-215. Credit Law Exception

Wholesalers, distillers, brewers, and vintners licensed by this Department making sales of spirituous liquor to other licensed wholesalers, distillers, brewers and vintners shall be exempt from the credit restriction of A.R.S. § 4-242. The intention of this rule is to permit such licensees the same privileges as out-of-state licensees and to prevent discrimination against Arizona licensees in accordance with the established trade customs in this state.

Historical Note

Former Rule 15; Former Section R4-15-34 renumbered as Section R4-15-215 without change effective October 8, 1982 (Supp. 82-5). R19-1-215 recodified from R4-15-215 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-216. Suspension, Adherence to Rules of

During the suspension of a license, the licensee shall not allow, permit, or suffer the sale, service, delivery, or consumption of any spirituous liquor on or about the licensed premises, nor order or receive delivery of any spirituous liquor. The notice of suspension shall be prominently displayed on the premises at all times during the period of suspension.

Historical Note

Former Rule 16; Former Section R4-15-35 renumbered as Section R4-15-216 without change effective October 8, 1982 (Supp. 82-5). R19-1-216 recodified from R4-15-216 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-217. Inducements, Prohibited

No on-sale retail licensee shall directly or indirectly offer or furnish any gifts, prizes, coupons, premiums, rebates or assumption of any excise, transaction privilege tax or similar inducements wherein the purchase or consumption of any spirituous liquors, including beer and wine, is required to become eligible to receive such gifts, prizes, coupons, premiums, rebates or assumption of any excise, transaction privilege tax or similar inducements. It is provided, however, that nothing herein contained shall prohibit on-sale retail licensees from furnishing advertising novelties of nominal value or services which are customarily trade practices, so long as such furnishing is not contingent upon the purchase or consumption of spirituous liquors or any other alcoholic beverage.

Historical Note

Former Rule 17; Former Section R4-15-36 renumbered as Section R4-15-217 without change effective October 8, 1982 (Supp. 82-5). R19-1-217 recodified from R4-15-217 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-218. Change of Address

When a street number or other official designation of address of the licensed premises is changed, the licensee shall notify the Department on a form prescribed by the Director within 15 days of such change. The license shall be surrendered upon the issuance of a replacement license which reflects the current address of the licensed premises.

Historical Note

Former Rule 18; Former Section R4-15-37 renumbered as Section R4-15-218 without change effective October 8, 1982 (Supp. 82-5). R19-1-218 recodified from R4-15-218 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-219. Name Change Requirements

No licensee shall change the name of his licensed business without 1st notifying the department on a form prescribed by the Director. The license shall be surrendered upon the issuance of a replacement license which reflects the current name of the licensed premises.

Historical Note

Former Rule 19; Former Section R4-15-38 renumbered as Section R4-15-219 without change effective October 8, 1982 (Supp. 82-5). R19-1-219 recodified from R4-15-219 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed

with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-220. Interstate Shipping, Importation, Labeling, Solicitation, Advertising

A. No person, corporation, partnership or concern shall ship or offer for shipment or transportation to any place within this state from any place without this state any container, package or parcel containing spirituous liquor including beer and wine, unless the same shall be consigned to a licensed Arizona spirituous liquor wholesaler.

B. Nothing in this rule shall be construed to interfere with through-interstate shipments of spirituous liquors, including beer and wine, originating outside the state and destined to points in other states, when passing through this state in the custody and under the control of a duly authorized common carrier or transportation company.

C. No person shall ship or introduce into this state any spirituous liquors, including beer and wine, unless such spirituous liquors shall be, from the time they are shipped or introduced into this state until they are delivered to the consignee, in the possession of a duly authorized common carrier or transportation company, except that licensed Arizona wholesalers may transport spirituous liquors for themselves in vehicles owned, leased or rented by such wholesalers when authorized to do so by the Director.

D. No person, common carrier or transportation company or any other concern shall bring, ship, transport or introduce into this state in any manner whatsoever any spirituous liquors, including beer and wine, unless they are duly consigned to a bona fide Arizona spirituous liquor wholesaler having a license to sell or traffic in at wholesale the particular spirituous liquors so transported and introduced.

E. No person, common carrier or transportation company shall deliver any interstate shipment consisting of any parcel package or container of any description containing spirituous liquors, including beer and wine, to any premises other than those premises described and set forth in the license of a duly licensed Arizona spirituous liquor wholesaler, licensed to sell or traffic in the particular liquor so delivered.

F. No manufacturer, distiller, brewer, vintner or wholesaler or any officer, director, agent or employee of any such business directly or indirectly or through an affiliate shall sell, ship or deliver for sale or shipment or receive or remove from customs custody for consumption any spirituous liquors, including beer and wine, in bottles, unless such products are bottled, packaged, and labeled in conformity with the labeling regulations prescribed by the Federal Alcoholic Administration or any other regulations adopted by the Federal Alcoholic Administration or any other regulations adopted by the government of the United States, officer, bureau, or agency thereof. Any amendments or changes in the Federal Alcohol Administration Act or any other regulations adopted by the government of the United States, officer, bureau or agency thereof pertaining to labeling are hereby made a part of this rule without further adoption by the Department.

G. No person shall send or cause to be sent into this state any letter, postcard, circular, dodger, pamphlet or publication, the purpose of which is the solicitation of an order for any spirituous liquor from and the shipment to any consumer or retail dealer within the state of Arizona.

H. No person shall issue or publish or cause to be issued or published in this state any letter, postcard, circular, pamphlet or publication containing any advertisement, the purpose or intent of which is the solicitation of an order for any spirituous liquors from any consumer or retailer, where such solicitation is contrary to the laws of this state and the rules of the Director which provide for the shipment of spirituous liquors into this state only when consigned to a duly licensed Arizona spirituous liquor wholesaler who is licensed to sell the particular liquor or liquors so advertised, and only when consigned and delivered to such spirituous liquor wholesaler at the address described and set forth in his license.

I. Nothing contained in subsections (G) or (H) shall be construed to prevent newspapers or other publications having circulation in Arizona from accepting institutional advertising from any distillery, brewery, winery, rectifier, or distributor.

Historical Note

Former Rule 20; Former Section R4-15-39 renumbered as Section R4-15-220 effective October 8, 1982 (Supp. 82-5).* R19-1-220 recodified from R4-15-220 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997; amended again effective June 10, 1997. Both amendments were exempt from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-221. Bottles, Reuse or Refilling Prohibited

No liquor bottle or other container authorized by the laws of the United States or any agency thereof shall be reused for the packaging of distilled spirits, nor shall the original contents, or any portion of such original contents, remaining in a liquor bottle or other such authorized container, be increased by the addition of any substance.

Historical Note

Former Rule 21; Former Section R4-15-40 renumbered as Section R4-15-221 without change effective October 8, 1982 (Supp. 82-5). R19-1-221 recodified from R4-15-221 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking pro-

cess, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-222. Records, Keeping of

All licensees shall keep for a period of not less than 2 years all invoices, records, bills and other papers and documents relating to the purchase, sale and delivery of alcoholic beverages. Such records and papers shall be kept in such conditions of storage as to be easily accessible to the Director or any peace officer designated by the Director for examination or audit.

Historical Note

Former Rule 22; Former Section R4-15-41 renumbered as Section R4-15-222 without change effective October 8, 1982 (Supp. 82-5). R 19-1-222 recodified from R4-15-222 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed and a new Section adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed and a new Section adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-223. Conveyance License, Application Posting

For the purpose of processing an application filed by a conveyance applicant, the posting of the application as provided by A.R.S. § 4-201, shall be accomplished by posting a copy of the application and notice to the public in a conspicuous place at the location where the conveyance applicant conducts its principal business in the state of Arizona.

Historical Note

Former Rule 23; Former Section R4-15-42 renumbered as Section R4-15-223 without change effective October 8, 1982 (Supp. 82-5). R19-1-223 recodified from R4-15-223 (Supp. 95-1). Section repealed, new Section adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-224. Repealed

Historical Note

Former Rule 24; Former Section R4-15-43 renumbered as Section R4-15-224 without change effective October 8, 1982 (Supp. 82-5). R-19-1-224 recodified from R4-15-224 (Supp. 95-1). Repealed effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-225. Closing, Notice of

A. The licensee shall notify the department on a form prescribed by the Director if a license is not used for a period of time over 30 consecutive days. The licensee shall notify the department within 30 days from the date the license was last used.

B. The licensee shall notify the department on a form prescribed by the Director prior to placing the license back into use.

C. No licensee shall leave his licensed place of business, while under normal operating conditions, in the control of another, over 30 days without 1st notifying the department and complying with the required filing of a manager's agreement or letter of notification.

Historical Note

Former Rule 25; Former Section R4-15-44 renumbered as Section R4-15-225 without change effective October 8, 1982 (Supp. 82-5). R19-1-225 recodified from R4-15-225 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-226. Closure Due to Violence

A licensed place of business may be required to close its doors and stop sales of alcoholic beverages to the public or allow any person on the premises, with the exception of the owners, employees and officers of the law, during the time that it may appear to the Director that violence might occur.

Historical Note

Former Rule 26; Former Section R4-15-45 renumbered as Section R4-15-226 without change effective October 8, 1982 (Supp. 82-5). R19-1-226 recodified from R4-15-226 (Supp. 95-1). Amended effective June 4, 1997, under an exemption from certain provisions of the Administra-

tive Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-227. Repealed

Historical Note

Former Rule 27; Former Section R4-15-46 renumbered as Section R4-15-227 without change effective October 8, 1982 (Supp. 82-5). R19-1-227 recodified from R4-15-227 (Supp. 95-1). Repealed effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-228. Advertising, Misleading

No licensee shall label for sale any spirituous liquor which is dispensed through equipment that would directly or indirectly lead the public to believe they are purchasing a brand, grade, or class of spirituous liquor, including beer and wine, which is actually not being sold or used.

Historical Note

Former Rule 28; Former Section R4-15-47 renumbered as Section R4-15-228 without change effective October 8, 1982 (Supp. 82-5). R19-1-228 recodified from R4-15-228 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

R19-1-229. Liquors other than authorized by license

No licensee, either through himself or through an agent, shall sell, solicit, or receive an order, keep or expose for sale, deliver for value, peddle, keep with intent to sell or traffic in or have for any purposes upon his licensed premises any spirituous liquors other than those set forth in his license.

Historical Note

Former Rule 29; Former Section R4-15-48 renumbered as Section R4-15-229 without change effective October 8, 1982 (Supp. 82-5). R-19-1-229 recodified from R4-15-229 (Supp. 95-1).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-230. Repealed

Historical Note

Former Rule 30; Former Section R4-15-49 renumbered as Section R4-15-230 without change effective October 8, 1982 (Supp. 82-5). R19-1-230 recodified from R4-15-230 (Supp. 95-1). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-231. Hotel/Motel/Restaurant Requirements

A Hotel/Motel licensee and a Restaurant licensee must maintain complete restaurant services as defined under A.R.S. §§ 4-205.01, and 4-205.02, continually during the hours of selling and serving spirituous liquors. Restaurant services, as defined under these statutes, is compulsory to 10 p.m. daily if any spirituous liquors are to be sold and served to the legal hours. A requested meal which is refused during these hours will constitute sufficient evidence that the licensed business has ceased to operate as a bona fide restaurant.

Historical Note

Former Rule 31; Former Section R4-15-50 renumbered as Section R4-15-231 without change effective October 8, 1982 (Supp. 82-5). R19-1-231 recodified from R4-15-231 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-232. Repealed

Historical Note

Former Rule 32; Former Section R4-15-51 renumbered as Section R4-15-232 without change effective October 8, 1982 (Supp. 82-5). R19-1-232 recodified from R4-15-231 (Supp. 95-1). Repealed effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the

Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-233. Patio -- Outdoor Use Permission

No licensee shall serve or allow to be served any spirituous liquors, including beer and wine, to patrons seated at outdoor or patio tables within the boundaries of the licensee's property without obtaining written approval on an extension of premise application from the Department. This application will apply to a temporary extension of premise as well as a permanent extension of premise.

Historical Note

Former Rule 33; Former Section R4-15-52 renumbered as Section R4-15-233 without change effective October 8, 1982 (Supp. 82-5). R19-1-233 recodified from R4-15-233 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-234. Repealed

Historical Note

Former Rule 34; Former Section R4-15-53 renumbered as Section R4-15-234 without change effective October 8, 1982 (Supp. 82-5). R19-1-234 recodified from R4-15-234 (Supp. 95-1). Repealed effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-235. Clothing Requirements, Employees

A. No licensee shall, on the licensed premises:

1. Employ or use any person as an entertainer or in the sale or service of alcoholic beverages in or upon the licensed premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the areola of the female breast or any portion of his or her pubic hair, anus, cleft of the buttocks, vulva, or genitals;
2. Employ or use the services of any hostess or other person to mingle with the patrons while such hostess or other person is unclothed or in such attire, costume or clothing as described in subsection (A)(1);
3. Encourage or permit any person on the licensed premises to touch, caress, or fondle the breasts, buttocks, anus, or genitals of any other person; or
4. Permit any employee or person to wear or use any device or covering exposed to view, which simulates the breast, genitals, anus, pubic hair, or any portion thereof.

B. If any provision of this rule or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the rule which can be given effect without the invalid provisions or application, and to this end the provisions of this rule are severable.

Historical Note

Former Rule 35; Former Section R4-15-54 renumbered as Section R4-15-235 without change effective October 8, 1982 (Supp. 82-5). R19-1-235 recodified from R4-15-235 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-236. Sex Acts Prohibited, Real or Simulated

No licensee shall permit, on the licensed premises, any person to perform acts of or acts which constitute or simulate:

1. Sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation, or any sexual acts which are prohibited by law;
2. The touching, caressing, or fondling of the breast, buttocks, anus, or genitals;
3. The displaying of any portion of the areola of the female breast, or any portion of his or her pubic hair, anus, vulva, or genitals; or
4. Any violation enumerated in A.R.S. Title 13, Chapter 14, Sexual Offenses, including the following sections:
   a. 13-1402: indecent exposure; classifications;
   b. 13-1403: public sexual indecency; public sexual indecency to a minor; classifications;
   c. 13-1404: sexual abuse; classifications;
   d. 13-1405: sexual conduct with a minor; classifications;
   e. 13-1406: sexual assault; classification; increased punishment;
   f. 13-1406.01: sexual assault of a spouse; definition, violation, classification;
   g. 13-1410: molestation of child; classification;
   h. 13-1411: crime against nature; classification;
   i. 13-1412: lewd and lascivious acts; classifications.

Historical Note

Former Rule 36; Former Section R4-15-55 renumbered as Section R4-15-236 without change effective October 8, 1982 (Supp. 82-5).* R19-1-236 recodified from R4-15-236 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the

Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-237. Obscene Films, Pictures Prohibited

No licensee shall permit, on the licensed premises, the showing of film, slide pictures, or any other electronic reproduction depicting:

1. Acts or simulated acts of sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation, or any sexual acts which are prohibited by law;
2. Any person, being touched, caressed, or fondled on the breast, buttocks, anus, or genitals;
3. Scenes wherein a person displays any portion of the areola of the female breast or any portion of his or her pubic hair, anus, vulva, or genitals; or
4. Scenes wherein artificial devices or inanimate objects are employed to depict any of the prohibited activities described above.

Historical Note

Former Rule 37; Former Section R4-15-56 renumbered as Section R4-15-237 without change effective October 8, 1982 (Supp. 82-5). R19-1-237 recodified from R4-15-237 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-238. Repealed

Historical Note

Former Rule 38; Former Section R4-15-57 renumbered as Section R4-15-238 without change effective October 8, 1982 (Supp. 82-5). R19-1-238 recodified from R4-15-238 (Supp. 95-1). Repealed effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-239. Filing of Legal or Equitable Interest

A. In accordance with A.R.S. § 4-112(B)(3), all persons having a legal or equitable interest in a spirituous liquor license shall file with the Director a statement of such interest on a form prescribed and furnished by the Department. Notice of termination of such interest shall be filed in writing by the interest holder upon final determination of the interest. Interest holders shall immediately file amended statements to reflect any change in the current statements presently on file.

B. The Director may periodically, by notice to the holders of interests filed under this rule and under A.R.S. § 4-112(B)(3), require such interest holders to verify in writing to the Director that the statement presently on file is currently correct and accurate and, if not, such interest holder shall immediately file an amended statement or termination notice. If no response is received by the Director within 30 days of the mailing of such notice, the interest shall be deemed terminated.

C. All persons having filed statements of interest in accordance with this rule and the statute shall be given notice of all matters, actions, or both, affecting or regarding the spirituous liquor license in which they have an interest.

D. Notice as required in subsection (C) shall be fully effective by mailing a copy thereof by registered or certified mail in a sealed envelope with postage prepaid and addressed to such person at his address as shown by the statement on file with the Director. Service of such notice shall be complete when deposited in the U.S. Mail.

E. All interest holders who are entitled to receive notice as provided for in this Article shall have the right to appear and participate in person and through counsel in any hearing held before the Board or Director affecting the subject spirituous liquor license as his interests may appear.

F. The statement of legal or equitable interest shall allow the person filing said statement to participate in the proceedings and shall not in any manner bind the Director or the state Liquor Board concerning the matter under consideration.

Historical Note

Former Section R4-15-58 renumbered as Section R4-15-239 without change effective October 8, 1982 (Supp. 82-5). R19-1-239 recodified from R4-15-239 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act. Exemption from this Act means that the rule was not reviewed by the Governor's Regulatory Review Council; the rule not submitted to the Secretary of State's Office for publication as a proposed rule in the Arizona Administrative Register; the public did not have an opportunity to comment on the rule; and the rule was not certified by the Attorney General.

R19-1-240. Criteria for Issuing Restaurant License

The following factors are to be considered by the Department in determining when a protest will be made against a restaurant license application. Any combination of four or more factors may result in a Department protest.

1. The number of cooks, food preparation personnel, waiters, or waitresses do not appear to be a sufficient number to prepare and provide the proposed restaurant services.
2. Restaurant equipment is not of sufficient grade or appropriate to the offered menu.
3. The proposed menu is not of the type and price likely to achieve 40% food sales.
4. There is the presence of a jukebox, live entertainment, or dance floor on the premises.
5. There is the presence of a number of bar games and equipment, such as pool tables, dart games, big-screen televisions, or arcade-type games.

6. Use of a term in the establishment's business name, signage, or promotional material which places emphasis on alcohol consumption. Terms such as bar, tavern, pub, spirits, club, lounge, cabaret, saloon, and other names which denote liquor sales will be considered as indication of non-restaurant format.
7. More than 60% of the public seating area consists of barstools, cocktail tables, and similar types of seating, indicating that such area is used primarily for alcohol consumption.
8. Dinnerware and smallware including dining utensils are not compatible with the offered menu.

Historical Note

Adopted effective October 11, 1977 (Supp. 77-5). Repealed effective January 5, 1979 (Supp. 79-1). Former Section R4-15-59 renumbered as Section R4-15-240 effective October 8, 1982 (Supp. 82-5). Amended effective August 3, 1994, under an exemption from the Administrative Procedure Act (Supp. 94-3). R19-1-240 recodified from R4-15-240 (Supp. 95-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was amended by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-241. Tapping Equipment, Furnishing, Selling, and Servicing

A. Beer manufacturers may sell to beer wholesalers and beer wholesalers may furnish to on-sale retail licensees the following items of equipment in the case of either an initial installation for a new account or a change over of equipment from 1 tapping system to another. Such equipment shall remain the property of the wholesaler.

1. Approved equipment systems:

Peerless	*Golden Gate*
a. Tap Rod	a. CO_2 Hose
b. Valve	b. Beer Hose
c. Beer Hose	c. Couplings
d. CO_2 Hose	d. Vent
e. Washers	e. Taps
f. Couplings	f. Valves (Golden Gate)
g. Clamps	g. Clamps
	h. Washers

Jet Western	*Hoff-Stevens*
a. Jet Tap Assembly	a. CO_2 Hose
b. Draw Tube	b. Beer Hose
c. Beer Hose	c. Couplings
d. CO_2 Hose	d. Vent
e. Tail Pieces	e. Clamps or Wire
f. Shut-off Valve	f. Washers
g. Washers	
h. Clamps	

2. Other equipment systems -- Manufacturers may qualify other tapping systems by submitting the trade name and collateral apparatus to the Department for approval.

B. Beer wholesalers may sell to on-sale licensees for cash only the following items of equipment at a price not less than the cost for which the wholesaler purchased the equipment:

1. CO_2 Gas;
2. CO_2 Regulators;
3. Facets;
4. Shanks or Bent Tubes;
5. Air Distributors;
6. Blower assembly, beer switches, complete faucet standard, drip pan, P.V.C. pipe, or any item that is necessary to prepare a draught system for proper operation.

C. A wholesaler may replace, at no charge to the retailer, bonnet washers, friction rings, valve stems, and coupling gaskets.

D. If 1 wholesaler is splitting an account with another wholesaler, the wholesaler initiating the split will supply, if necessary, the inline regulator which will remain the wholesaler's property and will be removed if the account is discontinued.

E. The wholesaler may maintain periodic cleaning schedules of on-sale retailers' draught equipment and may sell to the retailer any sanitizing materials utilized in the cleaning of draught beer equipment, at not less than cost.

Historical Note

Adopted effective October 8, 1982 (Supp. 82-5). R19-1-241 recodified from R4-15-241 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-242. Retail Agents

The following shall apply in all cases where 2 or more licensees pool their purchases for alcoholic beverages from a wholesaler:

1. Definition: For purposes of this rule, the term "Agent" means Registered Retail Agent as defined in A.R.S. § 4-101(28).
2. For purposes of this rule, the term "cooperative purchases" shall indicate that 2 or more retailers have entered into an agreement whereby 1 of them is designated the agent for each of them for the purpose of purchasing spirituous liquors.
3. Any agreement between a retailer and agent to make "cooperative purchases" shall be in writing on a form prescribed by the Director. The Agreement must be filed with and approved by the Department. The Agreement should provide that, upon consummation of the sale by the wholesaler, title to the merchandise so purchased shall vest in each of the parties to the Agreement, in accordance with his proportionate share of the order. The Agreement shall be signed and dated by each party to the Agreement. Each party to the Agreement shall have a copy of the Agreement available for inspection by any employee of the Department or any peace officer. The agent will be provided with a Certificate of Registration which shall be displayed upon the request of any employee of the Department, any peace officer, or any spirituous liquor licensee. The agent shall file a listing of the names, business addresses and license series of those licensed retailers who have authorized the agent to purchase on their behalf.

4. All orders for "cooperative purchases" from a wholesaler shall be placed by the agent, and payment for that order shall be made by such agent. The agent shall be responsible for the fiscal operation of all "cooperative purchases". There shall be no exchanges of merchandise after delivery has been made by the wholesaler. Bona fide delivery errors are excepted if immediately recognized and documented.
5. A wholesaler shall comply with all invoice and recordkeeping procedures in accordance with R19-1-222, prevailing federal regulations and requirements of the Department of Revenue. The wholesaler shall prepare a master invoice for the agent of each "cooperative purchase" which shall detail the individual purchases made by each member of the "cooperative purchase", a copy of which must be furnished each member. The master invoice shall dictate the specific discount for each "cooperative purchase".
6. Agents shall follow recordkeeping procedures so as to account for all orders and purchases and deliveries to retailers and describe any storage of spirituous liquors. Such records must relate directly to the orders, purchases, and deliveries made by each retailer represented by the agent. Agents shall maintain in accordance with R19-1-222, all activity reports and invoices, and any other records requested by the Director, and shall make such available for inspection upon request.
7. Agents shall not store spirituous liquors on any premise other than a licensed retail establishment without 1st obtaining written permission from the Director. Wholesalers may deliver to an agent's licensed premises or any off-premise warehouse storage facility of the agent which has been approved by the Director. The agent may deliver the merchandise to the individual retailer.
8. The Director may cancel, after a hearing pursuant to A.R.S. § 4-210, any Certificate of Registration issued to an agent for failure to comply with this rule.
9. The agent may charge members of the cooperate a fee for services rendered to retailers belonging to the cooperative association. Under no circumstances may the agent change the price quoted on the wholesaler's invoice.
10. Agent shall file with the Department a list of the names, business addresses and license series for those retailers who have authorized him to act on their behalf. Any changes in the retailers involved in this agreement must be reported to the Department within 10 days of the change.

Historical Note

Adopted effective April 9, 1979; Amended effective April 10, 1979 (Supp. 79-2). Former Section R4-15-61 renumbered as Section R4-15-242 without change effective October 8, 1982 (Supp. 82-5). R19-1-242 recodified from R4-15-242 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-243. Surrender of Licenses/Interim Retail Permits

A. Surrender of retail licenses for purposes of compliance with the interim permit requirements of A.R.S. § 4-203.01 shall be accomplished by any of the following:
1. The license is delivered to the Department by mail or in person with a notarized signature of surrender by the license holder or holders; or
2. In the event the license is lost or cannot be located, the license holder or holders indicates in a signed, notarized statement the surrender of the license; or
3. The license holder or holders has abandoned the licensed premise and the license with no intention of returning as demonstrated by the following:
   a. The premises have been vacant during normal operating hours for a period of 30 days; and
   b. The licensee has failed to notify the Director of his or her intention to suspend the operation under the license as required by R19-1-225; and
   c. The licensee cannot be located by the Department at his or her last known address as reflected in the Department's records; and
   d. The person who delivered the license to the Department has submitted a notarized statement asserting that, to the best of his or her knowledge, the licensed premises have been vacant during normal operating hours for a period of 30 days and the license holder or holders has abandoned the license and licensed premises.

B. The Director may deny the surrender of any license, regardless of the method of surrender, if:
1. The licensee is delinquent in payment of taxes to any municipality or the state or any political subdivision thereof; or
2. A complaint has been filed and is pending against the licensee alleging a violation of any provision of A.R.S. Title 4, or any rule thereof; or
3. The ownership of the license is contested; or
4. Civil proceedings involving the liquor license are pending before any Arizona or federal court.

Historical Note

Adopted effective Aug. 2. 1982 (Supp. 82-4). Former Section R4-15-62 renumbered as Section R4-15-243 without change effective October 8, 1982 (Supp. 82-5). Correction, (A)(3)(a) (Supp. 83-3). R19-1-243 recodified from R4-15-243 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Gover-

nor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-244. Special Event License

A. An applicant for a Special Event License shall make application on a form prescribed by the Department. The application form shall be filed with the local authority for approval or denial. Applications approved by the local authority will be reviewed by the Director. If the applicable requirements of A.R.S. Title 4 are met, the Director shall issue a Special Event License. The application form may be approved and validated by the Department and a copy returned to the local governing authority and the applicant.

B. Qualifying organizations as defined in A.R.S. § 4-203.02(B) may be granted a Special Event license for no more than 10 days in a calendar year. Events shall be held on consecutive days and at the same location or additional licenses will be required. A Special Event License authorizes the sale of spirituous liquor for the period authorized on the and is automatically terminated upon closing of the last day of the event or the expiration of the license, whichever occurs 1st.

Historical Note

Adopted effective March 31, 1981 (Supp. 81-2). Former Section R4-15-63 renumbered as Section R4-15-2 without change effective October 9, 1982 (Supp. 82-5). R19-1-244 recodified from R4-15-244 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

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Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-245. Commercial Coercion and Bribery

A. It shall be unlawful for a wholesaler, distiller, vintner, brewer, or importer to induce a retailer to purchase spirituous liquor from the producer or wholesaler to the exclusion, in whole or in part, of spirituous liquor sold or offered for sale by other persons through any of the following means:

1. By furnishing, giving, renting, lending, or selling to a retail licensee, articles of primary utilitarian value including, but not limited to, the following: clocks, service lamps, ash trays, coasters, napkins, beer mats, book matches, menu cards, folders, meal checks, container mats, back bar mats, thermometers, jiggers, stirring spoons, pouring spoons, glasses, glassware, or any other item potentially useful to the retailer in the conduct of his or her business except as provided elsewhere in these rules.
2. By furnishing financing or credit for the retail licensee to acquire or provide any part of the cost of equipment used or useful to a retail licensee through the sale of a product or otherwise.
3. By providing any service, including the stocking and pricing of merchandise, to a retail licensee; provided, however, that the practices set forth in subsection (B) of this rule shall not be unlawful.
4. By paying or crediting a retail licensee for any promotion, advertising, displaying, public relations, or distribution services or by participating or sharing with a retail licensee any promotion or advertising costs through any media.
5. By directly or indirectly guaranteeing a loan or repayment of a financial obligation to a retail licensee or by providing any monetary assistance in any form as an aid to a retail licensee.
6. By directly or indirectly entering into any form of credit transaction with a retail licensee.
7. By directly or indirectly engaging in any practice requiring a retail licensee to take and dispose of a quota of spirituous liquors.
8. By directly or indirectly engaging in practices promising or granting a retail licensee a bonus, premium or other compensation by a distillery, vintner, brewery, rectifier, blender, or other producer or the wholesaler.

B. The following practices are not unlawful inducements as defined by A.R.S. § 4-243(2)(b):

1. Stocking a limited supply of spirituous liquors in what is commonly known as "cold box".
2. Rotating spirituous liquors.
3. Furnishing advertising novelties of nominal value, such as key chains, sports schedules, recreation guides, cocktail specialty books, or other items which are not directly utilized in the operation of a retail licensee's business by the wholesaler to the retailer.
4. Furnishing on-sale retail licensees with equipment necessary to operate a draft box and servicing and repairing those items of equipment to retain the quality of the product.

Historical Note

Adopted effective January 29, 1982 (Supp. 82-1). Former Section R4-15-64 renumbered and amended subsection (A), paragraph (1) effective October 8, 1982 (Supp. 82-5). Correction, (A)(1) and (4) (Supp. 83-3). R19-1-245 recodified from R4-15-245 (Supp. 95-1). Amended effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed and a new Section adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was repealed and a new Section adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-246. Foodstuffs

A producer/wholesaler may sell foodstuffs to a retailer at a price agreed upon, but not less than the cost to the producer/wholesaler.

Historical Note
Adopted as an emergency effective Feb. 8, 1985 pursuant to A.R.S. SS 41-1003, valid for only 90 days (Supp. 85-1). Emergency expired. Adopted as a permanent rule effective Aug. 6, 1985 (Supp. 85-4). R19-1-246 recodified from R4-15-246 (Supp. 95-1). Section repealed, new Section adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-247. Non-alcoholic Malt Beverages, Wines, and Cocktail Mixers
Malt products, wines, and cocktail mixers, that are non-alcoholic, may only be sold to retailers under the same rules that apply to the sale of spirituous liquors. For purpose of this Section "cocktail mixers" shall mean pre-prepared liquid or solid mixtures marketed primarily for mixing with spirituous liquor to prepare a beverage.

Historical Note
Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-248. Display of License
All licensees shall display their liquor license in a conspicuous place readily available for inspection by any peace officer, distributor, or wholesaler.

Historical Note
Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-249. Repealed

Historical Note
Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Previous amendments were made under a different exemption (Supp. 96-4).

R19-1-250. Exceptions to General Rule

A. The following are exceptions in which producers/wholesalers may furnish to the retailer something of value, as long as the retailer is not induced to purchase spirituous liquor from the producer/wholesaler to the exclusion, in whole or in part, of spirituous liquor sold or offered for sale by other persons.

B. Licensed special events
1. A producer/wholesaler may participate in an event at which liquor is sold by furnishing advertising, sponsorship, services, or other things of value as long as:
   a. The event has been issued a special event license.
   b. The special event license was issued to a civic, religious, or fraternal group but not a political group.
   c. If the event is being held at a location that is a licensed retail location nothing of value is left at the location or given to the retailer or retail employees at or following the event.
2. A producer/wholesaler may donate but not sell directly to the group issued the special event license as long as it is not a political group. If the special event licensee is buying spirituous liquor at retail to resell, the wholesaler may invoice the sale through a retailer following completion of the event.
3. At a location issued a special event license spirituous liquor sales may be handled in the following ways:
   a. In the case of an otherwise unlicensed location the nonprofit group is responsible for sales of spirituous liquor.
   b. In case of a licensed retail location one of the following may occur:
      i. During the special event the regular licensee ceases all sales of spirituous liquor and the nonprofit group is responsible for all sales of spirituous liquor.
      ii. During the special event the regular licensee conducts all dispensing/serving under the regular retail license and the nonprofit group does none. The regular licensee is responsible for proper service. The liquor dispensed is that purchased by the retailer from the wholesaler.
      iii. During the special event the regular licensee conducts all dispensing/serving under the special event license and the nonprofit group does none. The regular licensee and the special event licensee are responsible. The spirituous liquor dispensed is that purchased/donated by/to the special event licensee.

iv. During the special event licensed location is split into an area in which the regular licensee exclusively dispenses and is responsible for all spirituous liquor sales and another separate area in which the nonprofit group exclusively dispenses and is responsible for all spirituous liquor sales.

C. Resets; rotations; displays

1. The producer/wholesaler may stock, reset, and rotate at the retail establishment any product that he or she sells to the retailer. Such stocking may include pricing, cleaning shelves, furnishing point of sale written advertising that includes pricing data (as long as it complies with sign limitations), rotating product, cleaning product, or otherwise preparing the product for sale at the point of sale, but may not perform these functions in warm or cold storage areas from which the consumers may not purchase product. Retailers shall not require stock reset or rotation as a condition of shelf space, cold box space, or product display space.
2. A producer/wholesaler may furnish reset services as long as a representative of each affected wholesaler is invited to attend such reset by the retailer with reasonable notice not less than 2 working days before the reset and the retailer consents to the reset. As part of the reset the producer/wholesaler may move his or her own product or that of a competitor.
3. A producer/wholesaler may set up a display of his or her product and may with the consent of the retailer move a competitor's product and may move nonalcoholic products or items as necessary to set up the display.
4. No retail display may consist of an item of potential utilitarian value to the retailer or any person after March 1, 1987, facsimiles are acceptable.

D. Furnishing retailer customers with items of value

1. A producer/wholesaler may furnish to retail customers advertising novelties which are not directly utilized in the operation of the retail business. Each novelty must be of a value less than $5.00. The items must be given to the customer by the producer/wholesaler employee and may not pass through the retailer's hands. None of the items may be given to the retailer or the retailer's employees or be left at the retail establishment.
2. Sports schedules that list events at a licensed establishment are permitted.

E. Refrigerated vehicles. A producer/wholesaler may furnish a refrigerated vehicle for an event at a licensed or unlicensed location if a special event license has been obtained (excluding political events) for the event. If there is no special event license no approval is granted. The vehicle may be used for storage and dispensing, but no producer/wholesaler personnel may dispense.

F. Signs and other print advertising

1. All advertising material must comply with the existing sign rule, R19-1-204. The department will exercise discretion in regards to temporary signs complying with the cited requirements in R19-1-204. A sign is temporary if it is not displayed outside the retail establishment for longer than 7 days or inside for longer than 45 days.
2. A poster may advertise an event in advance of the event as long as it meets these same requirements and is visible from inside establishments only.
3. The temporary sign may be any size or made of any material. It may not be utilitarian except as to its advertising content. Special events fully licensed are not subject to this limitation. Furnishing advertising copy (ad slicks) or nominal value is permissible.
4. Permanent signs may be of any value.

G. Sporting events. A producer/wholesaler may provide to a licensed retailer financial or other forms of event sponsorship, including advertising, if it is in conjunction with a sporting event and no item of utilitarian value remains with the retailer or at the retail location following the conclusion of the sporting event. Signs in connection with sporting events are not subject to size or value limitations.

H. Trade shows and convention. A producer/wholesaler may participate by sampling, sponsorship, advertising, or otherwise in trade shows and conventions at licensed or unlicensed establishments in which there is no special event license as long as no regular licensee benefits other than by the promotion of the event itself. Sampling limitations apply, see subsection R.

I. Concerts. A producer/wholesaler may participate by sponsorship, advertising or otherwise in a concert at a licensed location with the capacity in excess of 500 persons as long as the regular licensee does not benefit other than by the promotion of the event itself.

J. Wine or drink menus. A producer/wholesaler may furnish to a retailer wine or drink menus if the menus have no utilitarian value beyond that of a wine or drink menu and are made available to all retail accounts utilizing such menus.

K. Tapping equipment. All items authorized by R19-1-241 are permitted for all alcoholic beverages.

L. Driver sales. All alcoholic beverages may be sold without prior order from the retailer to the wholesaler, commonly called "driver sales".

M. Coupons and rebates. Coupons and rebates may be distributed by any method including via point of sale, except a producer/wholesaler may not list specific retailers or participate in a retailer's advertisement.

N. Incentive programs between producers and wholesalers. Arizona law does not regulate incentive programs involving only producers and wholesalers.

O. Participation at events without alcoholic beverages. The department does not regulate the participation by producers/wholesalers in events at which spirituous liquor is not sold, offered, or served.

P. Delivery to chain stores/co-ops. Quantity purchases of volume discounted products must be entirely delivered to the approved storage facility of the chain store or retail cooperative.

Q. Product returns. At the wholesaler's discretion, perishable product of a retailer who will be seasonably closed or who is going out of business for 6 months or more may be exchanged, credited, or refunded.

R. Sampling by producers/wholesalers. Approved sampling procedures are:

1. Sampling may be used only for new products or products unfamiliar to the person receiving the sample.
2. Sampling operations must be conducted under the supervision of an employee of the sponsoring distiller, vintner, brewer, or wholesaler and accurate records of all sampling procedures and products must be retained.
3. Sampling at on-premises events or wholesaler's premises must be limited to 12 ounces of beer or "cooler" products, 6 ounces of wine, and 2 ounces of distilled spirits per person per brand.
4. Sampling at off-sale events must be limited to 72 ounces of beer, "cooler" or wine products, and 750 milliliters of distilled spirits per person per brand.
5. Sampling from a package with a broken seal may be conducted on on-sale and wholesaler's premises only. No

package may be broken or contents consumed on off-sale premises.

6. The wholesaler's representative, when requesting a retail on-sale licensee to prepare a drink for the customer, must pay the retail on-sale licensee for the sample drink.
7. When sampling is conducted on off-sale premises, sampling wares must be distributed to the customer in sealed original packages only.
8. The producer/wholesaler may not buy the retail licensee, or his or her employees, a drink during their working hours or while they are engaged in waiting on or serving customers.
9. The producer/wholesaler may not give a keg of beer, or any spirituous liquor, or other gifts or benefits to a retail licensee.
10. All sampling procedures must conform to federal sampling laws and rules.

S. Market research programs. Bona fide market research via personal or mail intercept is authorized if:

1. The products being distributed are shipped through or obtained from an authorized licensed wholesaler.
2. People handling the products are 19 years old or older.
3. Participants are of legal drinking age.
4. The total amount of product being tested does not exceed 72 ounces of beer, "cooler" or wine product, or 750 milliliters of distilled spirits.

T. Registration of salespersons or solicitors. A.R.S. § 4-222, which required the registration of producer/wholesaler salespersons and solicitors has been repealed. Registration applies to agents of retail cooperatives only.

U. Holiday Decorations. A distiller, vintner, brewer, importer, producer, or wholesaler may give a retailer brand-identified, holiday decorations that have no utilitarian value to the retailer other than as a decoration.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4).

R19-1-251. Repealed

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4).

R19-1-252. Interim Permit/Tax Violations

The Director may refuse to issue an interim permit or issue a license until arrangements have been made with the taxing authority to satisfy the payment of all delinquent taxes. Any arrangements must be verified in writing from the applicable taxing authority and submitted to the Director.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-253. License Restriction Audits

The licensee shall comply with all the requirements for the type of license issued for their establishment. The department has the discretion to conduct liquor inspections to verify compliance and, if necessary, order an audit of the business for validation.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was adopted under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-254. Microbrewery/Retail

For purposes of A.R.S. § 4-243, a microbrewery is considered an "other producer".

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was adopted under an exemption from the Arizona Administrative Procedure Act

(A.R.S. Title 41, Chapter 6) pursuant to Laws 1989, Ch. 234, § 22. The Office of the Secretary of State was not allowed by law to file or publish exempt rules when the Section was adopted by the Department. The Department has now filed this Section with the Office of the Secretary of State as required pursuant to Laws 1996, Ch. 307, § 19.

R19-1-255. Age Restrictions

No licensee, or employee thereof, shall employ a person under the age of 19 as an exotic entertainer. This rule shall be effective January 1, 1991.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Editor's Note: The following Section was amended and then repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4)

R19-1-256. Repealed

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997; repealed effective June 10, 1997. Both actions were exempt from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act. Exemption from this Act means that the rule was not reviewed by the Governor's Review Council; the rule was not submitted to the Secretary of State's Office for publication as a proposed rule in the Arizona Administrative Register; the public did not have an opportunity to comment on the rule; and the rule was not certified by the Attorney General.

R19-1-257. Standards for Alcohol Training Programs

A. The standards established by this rule shall be minimum standards with respect to the subject matter to be taught and the time allotted for teaching the subject matter.

B. Nothing in this rule prohibits the teaching of additional subject matter or allotting additional time for the teaching of any subject matter.

C. A proposed training program shall be submitted to the Department for initial approval. The Department may, at any time, review any approved training program to determine that the program continues to meet minimum standards.

D. Training shall be conducted by an independent trainer except that licensees with 20 or more licenses may submit an in-house training program.

E. Training for On-sale Retail Licenses shall consist of:
1. The Regulation of Alcoholic Beverages (40 minutes):
   a. Role and Function of Arizona Department of Liquor Licenses,
   b. Types of On-sale Licenses,
   c. Potential Risks to the Business/Licensee,
   d. Potential Risks to the Employee.
2. Laws Regarding Establishments Serving Alcoholic Beverages (20 minutes):
   a. Licensed Premises,
   b. Entertainment Within Licensed Premises,
   c. Violence on Licensed Premises.
3. Laws Regarding Age (50 minutes):
   a. Legal Age in Arizona,
   b. Identification of Legal Age,
   c. Recognizing Invalid Identification,
   d. Recording Identification,
   e. Underage Persons in Bars and Restaurants,
   f. Refusing an Underage Customer.
4. Laws Regarding Intoxication (60 minutes):
   a. Sale to Intoxicated Persons,
   b. Service Limitations for Alcoholic Beverages,
   c. Knowledge of Alcohol and its Effects,
   d. Monitoring Customer Consumption and Intervention Techniques,
   e. Refusing an Intoxicated Customer.
5. Laws Regarding Legal Hours of Sale and Laws Regarding the Payment of Alcoholic Beverages (20 minutes).
6. Management Requirement Policies Regarding Alcoholic Beverages (40 minutes):
   a. Purchase and Storage Requirements,
   b. Management Requirements,
   c. Employee Requirements,
   d. Records Requirements,
   e. House Policies,
   f. Marketing Strategies.
7. Course Summary and Evaluation (10 minutes):
   a. Summary Discussion,
   b. Post Test and Review,
   c. Trainee Certification.

F. Training for Off-sale Retail Licenses shall consist of:
1. The Regulation of Alcoholic Beverages (15 minutes):
   a. Role and Function of Arizona Department of Liquor Licenses.
   b. Potential Risks to the Business/Licensee,
   c. Potential Risks to the Employee.
2. The Sale to Underage Customers (20 minutes):
   a. Legal Age in Arizona,
   b. When to Require Identification,
   c. Acceptable Forms of Identification,
   d. Recognizing Invalid Identification,
   e. Use of Registration Book,
   f. Refusing an Underage Customer.
3. The Sale to Intoxicated Customers (20 minutes):
   a. Sales to Intoxicated Customers,
   b. Recognizing an Intoxicated Customer,
   c. Refusing an Intoxicated Customer.
4. The Sale of Broken Packages and On-premise Consumption (10 minutes):
   a. Off-sale Premise Restrictions,
   b. Advising Customers of Off-sale Consumption.
5. The Sale of Alcoholic Beverages During Restricted Hours (10 minutes):
   a. Legal Hours of Sale in Arizona,
   b. Refusing an After-hour Sale.
6. Second Party Sales of Alcoholic Beverages (15 minutes):
   a. Second-party Purchases,
   b. Recognizing Second-party Purchasers,

c. Refusing Second-party Sales.,
7. Handling Special or Problem Situations (20 minutes):
a. Recognizing Problem Situations,
b. Employee Responsibilities in Problem Situations.
8. Course Summary and Evaluation (10 minutes):
a. Summary Discussion,
b. Post Test and Review,
c. Trainee Certification.

G. Persons conducting approved training programs shall, for a minimum of two years, retain records of persons who have satisfactorily completed the program. The record shall include:
1. Name of the person completing the training;
2. Date the training was completed;
3. Type of training (on-sale, off-sale);
4. If the person is employed by a licensee, the name of the licensee by whom the person is employed.

H. Upon satisfactory completion of training, the trainer shall present a certificate of completion to the trainee. The certificate shall list the information required by subsection (G)(1) - (4) of this rule and include the name of the program and the signature of the trainer.

Historical Note
Adopted effective August 3, 1994, under an exemption from the Administrative Procedure Act (Supp. 94-3). R19-1-257 recodified from R4-15-257 (Supp. 95-1).

ARTICLE 3. UNLICENSED PREMISES DEFINITIONS AND LICENSING TIME-FRAMES

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4).

R19-1-301. Definitions

In this Article, unless the context otherwise requires:
1. "Business establishment or premises" means the real property and improvements from which an enterprise or organized undertaking is conducted regularly for profit.
2. "Entertainment", for purposes of A.R.S. § 4-244.05 only, means any form of amusement including, but not limited to, a performance of theater, dance or opera, musical concerts, motion pictures, videotapes, audiotapes, radio, television, carnivals, games of chance or skill, shows, lectures, or sports events.
3. "Food" means any edible substance for the nourishment of the body and consists of hot fare commonly ordered at lunch or dinner prepared at the premises.
4. "Membership fee" or "cover charge" means any consideration, direct or indirect, paid to the business establishment by patrons to gain entry.
5. "Minimum purchase" or "rental requirement" means an amount of money or other consideration required to be paid by patrons of the business establishment as a condition to enter or remain on the premises.
6. "Goods or services" includes all types of commodities, stock, or wares, and any method of providing the use of something needed or desired.
7. "Incidental convenience" means the goodwill the business receives from permitting patrons to possess and consume a minimal amount of spirituous liquor while they are present to obtain the goods or services regularly offered to all patrons.
8. "Small restaurant" means a public eating place which has facilities for keeping, preparing, and cooking foods for lunch or dinner and accommodations to provide food service for up to 40 persons.
9. "Catering establishment" means any premises available for hire for a particular function, occasion, or event and which furnishes food and service for up to 300 persons.
10. "Association" means an organization of persons having common interests and purposes, established as a nonprofit corporation or fraternal and/or benevolent society, which owns, leases or occupies a premises used exclusively for the organization's purposes, which operates for recreational, social, patriotic, political, benevolent, or athletic purposes, and which has accommodations for less than 300 persons.
11. "Private social function" means any occasional communal affair, gathering, or party occurring at a business establishment is limited to selected, invited guests.
12. "Front entrance" means the door commonly used by the general public as entrance to an establishment.

Historical Note
Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997; amended again effective June 10, 1997. Both amendments were exempt from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4).

R19-1-302. Exemptions to A.R.S. § 4-244.05

Small restaurants, catering establishments, associations, and business establishments hosting private social functions are exempt from A.R.S. § 4-244.05 if the business establishment meets all of the following conditions:
1. The possession or consumption of spirituous liquor on the premises is limited to wine and beer and is permitted as an incidental convenience to patrons of the business establishment.
2. The business establishment limits possession or consumption of wine or beer on the premises to the hours between noon and 10 p.m.
3. The business establishment or premises allows a patron to possess no more than 24 ounces of beer per person, or 6 ounces of wine per person to be consumed on the premises.
4. The business establishment notifies the Department on a form prescribed by the Department that it permits patrons to consume or possess beer or wine on the premises.
5. The business establishment and/or its proprietor, manager, comptroller, controlling person, or employee shall

comply with A.R.S. Title 4, Chapters 1, 2, and 3, and 19 A.A.C. 1.

6. The business establishment and/or its proprietor, manager, comptroller, controlling person, or employee shall not permit the number of patrons within the business establishment to exceed the maximum occupancy limitations. The maximum occupancy limitations are:
   a. Small restaurant: shall not exceed 40 patrons.
   b. Catering establishment: shall not exceed 300 patrons.
   c. Associations: shall not exceed 300 patrons.
   d. Business establishments hosting private social functions: shall not exceed 300 patrons.
7. If any clause, sentence, subsection, Section, or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, subsection, Section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was repealed under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2). The Section was subsequently replaced by a new Section adopted through the regular rulemaking process.

R19-1-303. Licensing Time-frames

The following time-frames apply to licenses issued by the Department. The licensing time-frames consist of an administrative completeness review time-frame, a substantive review time-frame, and an overall time-frame as defined in A.R.S. § 41-1072.

1. Within the applicable administrative completeness review time-frame set forth in subsection (5), the Department shall notify the applicant in writing when an application is incomplete. The notice shall specify what information or component is required to make an application complete.
2. An applicant with an incomplete application shall supply the missing information within 30 days from the date of the notice or within such further time as the Director may specify, unless another time is specified by statute or rule. If the applicant fails to submit the missing information or component within the specified time period, the Department may deem the application withdrawn and close the file. Closing the file under this provision does not preclude the applicant from filing a new application.
3. Within the applicable overall time-frame set forth in subsection (5), unless extended by written notification pursuant to A.R.S. § 4-201.01(B), or by mutual agreement pursuant to A.R.S. § 41-1075, the Department shall notify the applicant in writing that the application is granted or denied. If the application is denied, the Department shall serve the applicant with a written order containing justification for the denial and an explanation of the applicant's right to appeal.
4. For all types of liquor licenses, except Special Event and Wine Festival Licenses, the Director may extend the overall time-frame as prescribed by A.R.S. § 4-201(B).
5. The licensing time-frames are set forth in Table A.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4). Repealed effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2). Adopted by final rulemaking at 5 A.A.R. 386, effective January 8, 1999 (Supp. 99-1).

Editor's Note: The following Section was amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to Laws 1996, Ch. 307 § 18. Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

Editor's Note: Adoption was made under a different exemption (Supp. 96-4).

R19-1-304. Public Facilities Exemption

Publicly owned and/or facilities operated by governmental entities ("Public Facility") are exempt from A.R.S. § 4-244.05 if such facilities meet all of the following conditions:

1. The possession or consumption of spirituous liquor is permitted only within the hours of noon to 10 p.m. as permitted by Arizona law, and is limited to no more than 10 hours per day;
2. The possession or consumption of spirituous liquor is permitted only as an incidental convenience to the person attending such public facility;
3. The maximum permitted occupancy of such public facility shall be 250,000.
4. A person attending such public facility shall possess no more than 24 ounces of beer, 6 ounces of distilled spirits or 6 ounces of wine per person to be consumed on the premises.
5. The Director's agent and/or any peace officer shall be empowered to enforce A.R.S. Title 4 to visit and inspect the public facility during business hours.
6. The public facility and/or its proprietor, manager, comptroller, controlling person or employee shall comply with the provisions of A.R.S. Title 4, Chapters 1, 2, and 3, and 19 A.A.C. 1.
7. If any clause, sentence, subsection, Section, or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, subsection, Section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Historical Note

Adopted effective September 14, 1990, under an exemption from the Administrative Procedure Act pursuant to Laws 1989, Ch. 234, § 22; filed with the Office of the Secretary of State October 25, 1996 (Supp. 96-4).

Amended effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).

Editor's Note: The following Section was adopted and amended under an exemption from the Arizona Administrative Procedure Act (A.R.S. Title 41, Chapter 6). Although exempt from certain provisions of the rulemaking process, the Department was required to provide for reasonable notice and hearing on the original rule. This Section was not reviewed by the Governor's Regulatory Review Council; and the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register (Supp. 97-2).

R19-1-305. Persons Under the Legal Drinking Age on Licensed Premises - Permitted

A. In addition to the exceptions in A.R.S. § 4-244 (23) regarding underage persons on licensed premises, underage persons may be on the premises of an on-sale retail licensee pursuant to subsections (B) and (C).

B. Licensed premises with an occupancy of 1,000 or more persons, as determined by the fire marshall, wherein the primary purpose is not to sell spirituous liquors, that show live sporting events or live concerts where the audience is engaged in viewing such entertainment, may allow underage persons on the premises. The licensee may sell spirituous liquor to persons who are 21 years of age or older, pursuant to A.R.S. Title 4, Chapters 1, 2, and 3, and 19 A.A.C. 1. The Director may require a security plan to be approved by the department to ensure that the underage persons do not purchase, possess or consume spirituous liquor on the premises.

C. Licensed premises with an occupancy of fewer than 1,000 persons, as determined by the fire marshall, wherein the primary purpose is not to sell spirituous liquors, may allow underage persons on the premises for the purpose of viewing live sporting events or live concerts if during the time that underage persons are on the premises, underage persons are separated by a physical barrier that prevents them from entering portions of the premises where spirituous liquor is sold, possessed, or served; and prevents underage persons from receiving, purchasing, possessing, and/or consuming spirituous liquor. With the exception of A.R.S. § 4-244 (23)(a), spirituous liquor is prohibited in the section devoted to underage persons.

Historical Note

Adopted effective June 4, 1997, under an exemption from certain provisions of the Administrative Procedure Act pursuant to Laws 1996, Ch. 307, § 18 (Supp. 97-2).
Amended effective November 24, 1998, under an exemption from provisions of the Administrative Procedure Act pursuant to Laws 1998, Ch. 259, § 23 (Supp. 98-4).

Table A. Licensing Time-frames

No.	License Type	Legal Authority	Administrative Completeness Review Time-frame	Substantive Review Time-frame	Overall Time-frame
1	In-State Producers	A.R.S. § 4-209	75 Days	30 Days	105 Days
2	Out of State Producers	A.R.S. § 4-209	75 Days	30 Days	105 Days
3	Domestic Microbrewery	A.R.S. § 4-205.04	75 Days	30 Days	105 Days
4	Wholesalers	A.R.S. § 4-209	75 Days	30 Days	105 Days
5	Government	A.R.S. § 4-205.03	75 Days	30 Days	105 Days
6	Bar	A.R.S. § 4-209	75 Days	30 Days	105 Days
7	Beer and Wine Bar	A.R.S. § 4-209	75 Days	30 Days	105 Days
8	Conveyance	A.R.S. § 4-209	75 Days	30 Days	105 Days
9	Liquor Store	A.R.S. § 4-209	75 Days	30 Days	105 Days
10	Beer and Wine Store	A.R.S. § 4-209	75 Days	30 Days	105 Days
11	Hotel-Motel	A.R.S. § 4-205.01	75 Days	30 Days	105 Days
12	Restaurant	A.R.S. § 4-205.02	75 Days	30 Days	105 Days
13	Domestic Farm Winery	A.R.S. § 4-205.04	75 Days	30 Days	105 Days
14	Club (Private)	A.R.S. § 4-205	75 Days	30 Days	105 Days
15	Out of State Winery	A.R.S. § 4-209	75 Days	30 Days	105 Days
	Wine Festival/Wine Fair	A.R.S. § 4-203.03	10 Days	20 Days	30 Days
	Special Event	A.R.S. § 4-203.02(B)	10 Days	20 Days	30 Days

Historical Note

Table adopted by final rulemaking at 5 A.A.R. 386, effective January 8, 1999 (Supp. 99-1).

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 2. ARIZONA RACING COMMISSION

(Authority: A.R.S. § 5-101 et seq.)

Editor's Note: This Chapter contains rules which were adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for review and approval; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; and the Commission was not required to hold public hearings on these rules. Because this Chapter contains rules which are exempt from the regular rulemaking process, the Chapter is being printed on blue paper.

19 A.A.C. 2, consisting of R19-2-101 through R19-2-124, R19-2-301 through R19-2-331, and R19-2-501 through R19-2-523, recodified from 4 A.A.C. 27, consisting of R4-27-101 through R4-27-124, R4-27-301 through R4-27-331, and R4-27-501 through R4-27-523, pursuant to R1-1-102 (Supp. 95-1).

Title 4, Chapter 27 consisting of Sections R4-27-101 through R4-27-124, R4-27-301 through R4-27-323 adopted effective August 5, 1983. R19-2-101 through R19-2-124 recodified from R4-27-101 through R4-27-124 (Supp. 95-1).

Former Title 4,Chapter 27 consisting of Sections R4-27-101 through R4-27-111, R4-27-201 through R4-27-211, R4-27-301 through R4-27-312 repealed effective August 5, 1983. R19-2-101 through R19-2-111, R19-2-201 through R19-2-211, R19-2-301 through R19-2-312 recodified from R4-27-101 through R4-27-111, R4-27-201 through R4-27-211, R4-27-301 through R4-27-312 (Supp. 95-1).

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R19-2-327. Personnel of the Racing Kennel, Breeding Farm, or other Operation
R19-2-328. Transportation of Greyhounds
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R19-2-330. Inspection Procedure for a Racing Kennel, Breeding Farm, or other Operation
R19-2-331. Greyhound Adoption Grants
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ARTICLE 4. TELETRACKING

Article 4, consisting of Sections R19-2-401 through R19-2-410, adopted effective February 26, 1996, under an exemption from the rulemaking process pursuant to A.R.S. § 41-105(A)(18) (Supp. 96-1).

Article 4, consisting of Sections R4-27-401 through R4-27-410, repealed effective December 14, 1994 (Supp. 94-4).

Article 4, consisting of Sections R4-27-401 through R4-27-410, adopted effective April 3, 1984 (Supp. 84-2). R19-2-401 through R19-2-410 recodified from R4-27-401 through R4-27-410 (Supp. 95-1).

Section
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R19-2-402. Teletrack Wagering
R19-2-403. General Provisions
R19-2-404. Application for Original Teletrack Wagering Permit; Plan of Operation; Renewals of Teletrack Wagering Permit
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ARTICLE 5. PARI-MUTUEL WAGERING

Article 5, consisting of Sections R4-27-501 through R4-27-523, adopted effective October 21, 1993, under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules. Because this Chapter contains rules which are exempt from the regular rulemaking process, the Chapter is being printed on blue paper. R-19-2-501 through R19-2-523 recodified from R4-27-501 through R4-27-523 (Supp. 95-1).

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ARTICLE 6. BOXING COMMISSION ADMINISTRATION

Article 6, consisting of Sections R19-2-601 through R19-2-610, recodified from Sections R4-3-415 through R4-3-424 at 5 A.A.R. 1175, April 23, 1999 (Supp. 99-2).

Section
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R19-2-602. Notice to the Department
R19-2-603. Ticket Manifest
R19-2-604. Reduced Price Tickets
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R19-2-608. Promoters; Licenses; Bond; Proof of Financial Responsibility
R19-2-609. License Fees
R19-2-610. Fines

ARTICLE 1. HORSE RACING

R19-2-101. Power and Authority

A. All powers of the Department and Commission not specifically defined in these rules are reserved to the Department and Commission under the law creating the Department and Commission and specifying its powers and duties.

B. The jurisdiction of the Department and Commission over matters covered by the statutes and the rules is continuous throughout the year.

C. The statutes of the state of Arizona and the rules and the orders of the Department and Commission take precedence over the conditions of a race or the conditions of a racing meeting.

D. The Director may sustain, reverse, or modify any penalty or decision imposed by the stewards.

E. The Commission may sustain, reverse, or modify any penalty or decision imposed by the Director.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Editor spelling correction to subsection (C) (Supp. 88-4). R19-2-101 recodified from R4-27-101 (Supp. 95-1).

R19-2-102. Definitions

In these rules, unless the context otherwise requires:

1. "Added money" means the money a permittee adds to the nominating and starting fees in a race.
2. "Age" means the age of a horse as computed from the first day of January in the year in which the horse is foaled.
3. "Authorized agent" means a person appointed pursuant to R19-2-106(I) of these rules.
4. "Breeder" of a horse means the owner or lessee of its dam at the time of foaling.
5. "Breeding place" means the place of birth of a horse.
6. "Commission" means the Arizona Racing Commission.
7. "Course" means the track over which horses race.
8. "Declaration" means the act of withdrawing an entered horse from a race.
9. "Department" means the Arizona Department of Racing.
10. "Director" means the Director of the Arizona Department of Racing.
11. "Entrance fee" means a fee set by the permittee which must be paid in order to make a horse eligible for a stakes race.

12. "Entry" means, according to its context, either:
    a. A horse eligible and entered in a race, or
    b. Two or more horses which are entered in a race and are owned in whole or in part by the same owner or are trained by a trainer who owns any interest in any of the other horses in the race.
13. "Equipment" as applied to a horse means whips, blinkers, tongue straps, muzzles, hoods, nose bands, shadow rolls, martingales, breast plates, bandages, boots, plates (shoes), and all other paraphernalia which is or might be used on or attached to a horse while racing.
14. "Field" means:
    a. The entire group of horses in a race.
    b. The highest numbered horse within the capacity of the tote and all horses of a higher number grouped together in the wagering.
15. "Foreign substance" means any drug, medicine, metabolite, or any other substance which does not exist naturally in the untreated horse and which may have a pharmacological effect on the racing performance of a horse or which may affect sampling or testing procedures. Foreign substances include but are not limited to stimulants, depressants, local anesthetics, narcotics, and analgesics.
16. "Foul" means any action by a horse or jockey which interferes with another horse or jockey in the running of a race.
17. "Grounds" means the entire area used by the permittee to conduct racing meetings including, but not limited to, the track, grandstand, stables, concession areas, and parking facilities.
18. "Horse" includes filly, mare, colt, horse, gelding and ridgling.
    a. In general when referring to sex, a horse is an entire male five years old or older.
    b. Ridgling shall mean a half-castrated male horse or a horse with one or both organs of reproduction absent from the sac.
19. "Lawfully issued prescription" means a prescription-only drug, as defined in A.R.S. § 13-3401, obtained directly or pursuant to a valid prescription or order from a licensed physician acting in the course of professional practice.
20. "Lessee" or "lessor" means a person who has leased a horse for racing purposes.
21. "Maiden" means a horse which at the time of starting has never won a race on the flat in any country on a recognized track or which has been disqualified after finishing first.
22. "Meeting" means the entire period for which a permit to conduct racing has been granted to any permittee by the Commission.
23. "Nominating fee" means a fee set by the permittee which must be paid in order to make a horse eligible for a stakes race.
24. "Nomination" means the naming of a horse or its foal in utero to compete in a specific race or series of races, eligibility for which may be conditional upon the payment of a fee at the time of naming.
25. "Nominator" means the person in whose name a horse is nominated for a stakes or handicap race.
26. "Off time" means the moment at which, on signal of the starter, the horses break and run.
27. "Overpayment" means the amount by which purses paid exceeds the amount due horsemen based upon the net take and break calculation.
28. "Owner" means any person possessing all or part of the legal title to a horse.
29. "Place" means the position in which a horse finishes in a race, and more specifically win-first, place-second, and show-third.
30. "Post position" means the position assigned to a horse for the start of a race.
31. "Post time" means the time set for the arrival at the starting point of the horses in a race.
32. "Prohibited substance" means any substance regulated by A.R.S. Title 13, Chapter 34.
33. "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of the racing officials of the track and of the Department.
    a. "Claiming race" means a race in which any horse entered may be claimed in conformity with these rules.
    b. "Graded quarter race" means a quarter race for which horses are classified by the racing secretary on the basis of prior racing times and past performances.
    c. "Handicap" means a race in which weights to be carried by the entered horses are adjusted by a handicapper for the purpose of equalizing their respective chances of winning.
    d. "Hurdle race" means a race over a course in which jumps or hurdles are used.
    e. "Match race" means a race between two or more horses, each the property of different owners, on terms agreed upon by the owners and approved by the Department.
    f. "Overnight race" means a race for which entries close 96 hours or less before the time set for the first race of the day on which such race is to be run.
    g. "Purse race" means a race for money or other prize to which the owners of the horses engaged in the race do not contribute an entry fee.
    h. "Quarter race" means a race on the flat at 870 yards or less.
    i. "Race on the flat" means a race over a course in which no jumps or other obstacles are placed.
    j. "Stakes race" means a race in which any monies are to be deposited by the owners of the horses engaged in the race, including a race in which money or other prize is added, and in which nominations must close more than 72 hours before the time for the first race of the day on which such stakes race is to be run.
34. "Recognized track" means a track where pari-mutuel wagering is authorized by law or which is recognized by the American Quarter Horse Association.
35. "Ruled off" means the act of barring from the grounds of a permittee and denying all racing privileges.
36. "Scratch" means the act of withdrawing an entered horse from a race after the closing of overnight entries.
37. "Scratch time" means the time set by the permittee for the withdrawing of entries from the races of that day.
38. "Starting fee" means a fee, specified by the conditions of the race and set by the permittee, which must be paid in order to start in a race.
39. "Starting horse" means a horse which leaves the paddock for the post, excluding:
    a. A horse subsequently excused by the stewards, or
    b. A horse whose starting gate stall doors do not open in front of it at the time the starter dispatches the field.
40. "Subscription" means the act of nominating to a stakes race.

41. "Supplemental fee" means a fee set by the permittee that must be paid at a time prescribed by the permittee to make a horse eligible for a stakes race.
42. "Suspended" means that any privilege granted by the officials of a racing meeting or by the Commission or the Department has been temporarily withdrawn.
43. "Sustaining fees" mean fees which must be paid periodically, as prescribed by the conditions of the race, in order to keep a horse eligible for that race.
44. "Tote/totalizator" means the machines which sell mutuel tickets and the board on which the approximate odds are posted.
45. "Track" means the course over which races take place.
46. "Trainer" means the person employed by an owner or lessee to condition horses for racing.
47. "Underpayment" means the amount by which the amount due horsemen based upon the net take and break calculation exceeds the amount of purses paid.
48. "Walkover" means a race in which there are not two or more horses of separate interest sent postward.
49. "Weight" means the standard weight according to the scale set forth in R19-2-118.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended paragraph (15), added new paragraphs (26) and (45) and renumbering accordingly effective June 6, 1986 (Supp. 86-3). Amended by adding paragraphs (19) and (32) and renumbering accordingly effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-102 recodified from R4-27-102 (Supp. 95-1).

R19-2-103. Permit Applications

A. Any person or persons, associations, or corporation desiring to hold or conduct a horse racing meeting within the state of Arizona shall file with the Commission 10 copies of a permit application as set forth in A.R.S. § 5-107.

B. The Department shall not issue a permit until the applicant has furnished evidence of compliance with A.R.S. § 23-901 et seq. (Workers' Compensation).

C. Permit applicants shall submit to the Commission the names of the proposed track officials at least 60 days prior to the beginning of their meet, along with a short biographical sketch of each official not previously licensed in the same capacity by the Department.

D. A permit application shall specify the number of races to be run on a daily basis.

E. Racing shall be conducted only on those days granted by permit.

F. Permit Application Time-frames.
1. Administrative completeness review time-frame.
   a. Within 728 days after receiving an application package, the Department shall determine whether the application package contains the information required by subsections (A), (B), (C), and (D).
   b. If the application package is incomplete, the Department shall issue a written notice that specifies what information is required and return the application. If the application package is complete, the Department shall provide a written notice of administrative completeness.
   c. The Department shall deem an application package withdrawn if the applicant fails to file a complete application package within 180 days of being notified that the application package is incomplete.
2. Substantive review time-frame. Within 30 days after receipt of a complete application package, the Commission, with the recommendation of the Department, shall determine whether the applicant meets all substantive requirements and issue a written notice granting or denying the permit.
3. Overall time-frame. For the purpose of A.R.S. § 41-1073, the Department establishes the following time-frames for issuing a permit.
   a. Administrative completeness review time-frame: 728 days;
   b. Substantive review time-frame: 30 days;
   c. Overall time-frame: 758 days.
4. Renewal and temporary permit time-frames. The administrative completeness review time-frame is 30 days, the substantive review time-frame is 30 days, and the overall time-frame is 60 days, excluding time for mailing. The renewal or temporary permit is considered administratively complete unless the Department issues a written notice of deficiencies to the applicant. Temporary permits are valid until a full permit is awarded or until the Commission revokes the temporary permit.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-103 recodified from R4-27-103 (Supp. 95-1). Amended effective January 6, 1998 (Supp. 98-1).

R19-2-104. Permittee Responsibilities

A. A permittee shall maintain the grounds in a neat, clean, and safe condition. If a steward determines that a permittee is not in compliance with this Section, the steward shall require that the permittee immediately bring the grounds into compliance.

B. The permittee shall prevent any person, corporation, firm, or association not licensed by the Department from performing any act at its track which requires a license under A.R.S. Title 5, Chapter 1, or this Article.

C. Each permittee department head shall see that the permittee department head's employees are licensed and furnish a list of the employees upon request.

D. A permittee shall take all steps necessary to deny the privileges of a license to anyone whose license has been revoked or suspended and to keep such a person off the grounds of the permittee and to prevent a person who has been ruled off from entering the grounds of the permittee.

E. A permittee or its employees shall not obstruct a representative of the Department performing the representative's duties.

F. A permittee shall not knowingly allow on its grounds any betting or other operations in contravention of any law of the state of Arizona or of the United States.

G. The permittee shall immediately report all observed violations of any racing regulation or statute to the Department and shall cooperate with the Department and with state, federal, and local authorities in investigations of alleged violations.

H. A permittee shall provide the following services at the track:
1. A horse ambulance, approved by the Department, for the removal of crippled animals from the track.
2. A physician or emergency paramedic certified under A.R.S. § 36-2205 on duty during racing hours.
3. An ambulance, available during morning works and racing hours.
4. First aid quarters, available during morning works and racing hours.
5. A detention paddock (test barn) where all winners and other horses selected by the stewards are taken and kept under the supervision of the Department veterinarian

until saliva, urine, blood, and other samples have been obtained.

6. An adequate security force whose duties include:
   a. Maintaining order.
   b. Excluding from the grounds all handbooks, touts, and operators of gambling devices.
   c. Excluding from the grounds all persons ruled off by the stewards or the Department.
   d. Excluding from the grounds all persons not eligible for a license under A.R.S. § 5-108.
   e. Immediately reporting to the stewards any licensee who, while on the premises of the permittee, creates a disturbance, is intoxicated, interferes with any racing operation, or acts in an abusive or threatening manner to any racing official or other person.
7. A security guard stationed at the stable area entrance whose duties include:
   a. Denying entrance to all persons not holding a license or credentials issued by the Department or a Departmental pass issued by the permittee.
   b. Allowing any person seeking employment within the stable area to have access to that area for a period of 1 day, provided that:
      i. The person is given a numbered card.
      ii. A list of recipients of the numbered cards is provided to the track office of the Department upon request.
      iii. The numbered card is retrieved by the security guard when the person leaves the stable area.
      iv. The track office of the Department is notified of the retrieval.
8. A furnished office, including utilities and necessary office equipment, for the exclusive use of Department employees and officials.
9. A uniformed security official approved by the Department, on duty in the Department test barn during its regular business hours. The official shall provide security and monitor the collection procedure and sealing of samples taken from the horses.
10. A copy of all tip sheets offered for sale in the parking area or elsewhere on the grounds of the permittee, furnished daily to the stewards not later than 3 hours before 1st post.

I. A person shall not sell tip sheets, pamphlets, or other printed matter purporting to predict the outcome of a race other than official programs, the Daily Racing Form, and newspapers in the betting area.

J. Wagering shall be conducted upon the grounds of a permittee only under the pari-mutuel method as provided by statute and this Article and by the use of such mechanical or other equipment as the Department may require. Bookmaking or betting other than by the pari-mutuel method is prohibited.

K. A permittee shall not allow the official racing of horses on any track under its control except as provided by subsection (P) below unless:
1. The conditions of the race have been written by the racing secretary at the meeting.
2. The entries have been made in accordance with the requirements set forth in R19-2-113.
3. The race programmed as a part of a regular racing card conducted under the pari-mutuel system.

L. On a daily basis, and as soon as the entries have been closed and compiled and the declarations have been made, the permittee posts a list of the entries and declarations in a conspicuous place.

M. A permittee shall print on a daily racing program a list of all officials and directors of the permittee and of track and racing officials, together with such pertinent rules as the Department may designate.

N. A permittee shall not allow an official to act until the official's appointment has been approved by the Department; provided that, in the case of sickness or inability to act, the provisions of R19-2-121(A)(5) apply.

O. The permittee shall provide a photo finish and videotape device, approved by the Department, for the purpose of recording all races. The photographs and videotapes may be used to aid the stewards in determining the finishes of races. Permittees shall retain for 3 months all official race photographs and videotapes. The Department may require that specific photographs and videotapes be retained for a longer period of time of be transmitted to the Department for subsequent administrative or judicial proceedings.

P. Notwithstanding subsection (K), wagering may be conducted, by permission of the Department, on electronically televised simulcasts provided:
1. The simulcasts originate from a racing facility outside the state of Arizona.
2. The race is televised on the grounds of the permittee.
3. The televised race is included with the posted races for that racing day.
4. The televised race complies with the Interstate Horseracing Act of 1978 (15 U.S.C. 3001 et seq.).
5. Monies wagered are computed in the total daily handle.
6. An out-of-state facility, receiving a simulcast originating from a racing facility within the state of Arizona, operates under the approval and regulation of an official agency of that state.

Q. Any automatic timing device installed by the permittee shall have the approval of the Department.

R. Each commercial horse racing permittee shall furnish the Department with annual financial statements audited and certified by a firm approved by the auditor general.
1. The firm shall conduct the audit in accordance with audit standards prescribed by the auditor general.
2. The firm shall prepare the financial statements in accordance with generally accepted accounting practices.
3. The firm shall use the following accounting practices:
   a. Overpayments shall be treated as an asset to the extent that they are recoverable. Overpayments are reported as an asset titled "Purse Overpayments," immediately following current assets. If the permittee and the accountant determine that all or part of any overpayment is not recoverable, the dollar amount expensed and the basis of the determination shall be disclosed in the notes to the financial statements.
   b. Underpayments shall be reflected as an account payable.
   c. Wagering income shall be reported net of sales taxes.
   d. Amounts which a permittee is seeking to recover through litigation shall not be reported as assets.
4. The firm shall submit the following information with the financial statements in a form prescribed by the Department:
   a. An analysis of the composition of and changes in accounts payable which include underpayments and asset accounts which include overpayments,
   b. A summary of current year purse expense and over- or underpayment,
   c. The total amount of salaries and bonuses expense,

d. Legal and accounting expense attributable to racing-related matters,
e. An explanation of the types of revenues and expenses classified in accounts titled "other", and
f. Other financial information requested by the Commission or Department.

5. Financial statements of permittees granted original permits prior to July 1, 1982, shall be on a fiscal year basis. Financial statements of permittees granted original permits after July 1, 1982, may be on a fiscal or calendar year basis at the discretion of the Director.
6. The firm shall submit financial statements within 120 calendar days of the end of the fiscal or calendar year.
7. The firm shall report overpayments and underpayments to the Department in a form prescribed by the Department within 10 working days after the end of each condition book period.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsection (H) paragraph (9) effective August 2, 1985 (Supp. 85-4). Amended subsection (R) effective June 6, 1986 (Supp. 86-3). Amended effective March 20, 1990 (Supp. 90-1). Amended effective August 6, 1991 (Supp. 91-3). R19-2-104 recodified from R4-27-104 (Supp. 95-1). Amended effective January 6, 1998 (Supp. 98-1).

R19-2-105. Charity Races

A. A permittee shall provide the Commission with:
1. The name of any nonprofit organization or corporation selected by the permittee as a charity entitled to benefit from a charity racing day or race.
2. A list of the names and addresses of all directors, officers, and shareholders holding ten percent or more of the total number of outstanding voting shares of the charitable corporation.
3. A brief description of the purposes and activities to be benefited by monies received from the charity racing day or race.
4. A copy of an Internal Revenue Service letter of determination qualifying the particular charity as an exempt organization or corporation for federal income tax purposes.

B. No permittee shall charge any expenses incurred by operation of racing against the pari-mutuel handle of a charity racing day or race except those prorated expenses incurred on the day of that particular charity racing day or race.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-105 recodified from R4-27-105 (Supp. 95-1).

R19-2-106. Licensing

A. All persons participating in any capacity in a racing meeting, including all persons who perform services in connection with the conduct of the racing meeting, shall obtain a license from the Department, except:
1. Those persons performing services during a county fair race meet who are identified as volunteers.
2. Any person owning less than 10% of all classifications and types of outstanding shares of stock of any permittee or licensee.

B. Applications
1. A person applying for a license shall complete the form prescribed by the Department. All applicants and licensees are obligated to know and follow the provisions of the rules governing racing in the state of Arizona.
2. The Department may issue written instructions regarding the preparation and execution of the license application, and the instructions may be a part of or separate from the application form, or both.
3. A schedule of license and fingerprint processing fees shall be displayed prominently at each track.
4. Each applicant 18 years of age or older shall submit to being fingerprinted. The fingerprints shall be taken by the Department or certified by a municipal police department, sheriff's office, or other recognized authority acceptable to the Department.

C. License applications shall be submitted to the Department office located on the grounds of a permittee or other designated facility.

D. License procedure
1. A license application shall be granted or denied by a steward and transmitted to the Director.
2. In considering each application for a license, the steward may require the applicant, as well as the applicant's endorsers, to appear before the steward and show that the applicant is qualified in every respect to receive the license requested. Ability as well as integrity shall be clearly shown by the applicant in order to receive a license.
3. An applicant who fails to pass the test for a trainer's license shall wait at least 6 months before retaking the test.
4. Administrative completeness review time-frame.
   a. Within 85 days after receiving an application package, the Department shall determine whether the application package contains the information required by subsections (B), (C), and (D)(1), (D)(2), and (D)(3).
   b. If the application package is incomplete, the Department shall issue a written notice that specifies what information is required and return the application. If the application package is complete, the Department shall provide a written notice of administrative completeness.
   c. The Department shall deem an application package withdrawn if the applicant or licensee fails to file a complete application package within 10 days of being notified that the application package is incomplete.
5. Substantive review time-frame: Within 5 days after receipt of a complete application package, the Department shall determine whether the applicant or licensee meets all substantive requirements and issue a written notice granting or denying a license.
6. Overall time-frame: For the purpose of A.R.S. § 41-1073, the Department establishes the following time-frames for issuing a license.
   a. Administrative completeness review time-frame: 85 days.
   b. Substantive review time-frame: 5 days.
   c. Overall time frame: 90 days.
7. Temporary license time-frames. All licenses are temporary for 90 days under A.R.S. § 5-108(F). Unless the Department denies the applicant, the temporary license automatically becomes a license after 90 days. The administrative completeness review time-frame for a temporary license is 1 day, the substantive review time-frame is 1 day, and the overall time-frame is 2 days, excluding time for mailing. A temporary license is con-

sidered administratively complete unless the Department issues a written notice of deficiencies to the applicant.

E. Denials
1. A license may be denied if the applicant:
   a. Habitually has been or is intoxicated or a user of narcotics within the grounds of the permittee pursuant to A.R.S. § 36-2501(A)(8);
   b. Has failed to disclose the true ownership or interest in any horse.
2. Whenever a license is denied, the Department shall report the reasons for the denial in writing to the applicant and to the Association of Racing Commissioners International, Inc. and the North American Pari-mutuel Regulators Association.

F. General requirements and restrictions
1. A licensee who is employed in more than 1 category or who changes from 1 category to another shall be licensed in each category.
2. A licensee who is an official at different types of tracks (horse, harness, or greyhound) shall be licensed at each type of track.
3. The Department shall not license a person under 16 years of age in any capacity other than as an owner, and shall not license a person under 18 as an official, trainer, or assistant trainer. Any person under 18, licensed as an owner, shall have a parent or guardian sign the owner's license application, the parent or guardian assuming full financial responsibility for the applicant, before that person can be licensed.
4. Each license shall expire on the 30th day of June, 1995, and every 3rd year thereafter, except that:
   a. Apprentice jockey licenses expire as provided in R19-2-109(D)(1)(c).
   b. One-year licenses may be issued for mutuel workers, concession workers, and peace officers. Such licenses shall expire on the 30th day of June, 1995, and every year thereafter.
5. All persons, when present in the barn area of a horse track, in paddock areas, or in any other restricted area shall wear a photo identification badge issued by the Department or a pass issued by the permittee in full view.

G. Fees

	1st Year	*2nd Year*	*3rd Year*
1. Three-year licenses:			
a. New stable name:	$124	$112	$100
b. Owner/trainer, jockey agent, jockey, or apprentice jockey:	75	50	25
c. Owner, trainer, assistant trainer, veterinarian, authorized agent, official, lessee, lessor, or stable name renewal:	36	24	12
d. Occupational license:	15	10	5
2. One-year licenses:	7		
3. Duplicate license:	5	5	5
4. Temporary claiming license:	36	36	36
5. Authorized agent when licensed in another category:	5	5	5
6. Authorized agent when not licensed in another category:	36	24	12

H. All licenses are temporary under A.R.S. § 5-108(F). The Department shall perform a background investigation, including fingerprint processing through the Department of Public Safety and the FBI, and research and review of records of the Association of Racing Commissioners International, Inc., the North American Pari-mutuel Regulators Association, information systems, courts, law enforcement agencies, and the Department within time-frame prescribed in R19-2-106(D)(4).

I. Authorized agents
1. A person may hold a license solely as an authorized agent or be licensed as an authorized agent and be licensed in another category.
2. The principal shall sign the application for a license on behalf of an authorized agent and clearly set forth the powers of the agent, including whether the agent is empowered to collect money from the permittee. The application shall be either notarized or signed in the presence of a Department employee and a copy filed with the horsemen's bookkeeper and with the Department.
3. The principal shall change an agent's powers or revoke an agent's authority in writing that is either notarized or signed in the presence of a Department official, and filed with the Department and the horsemen's bookkeeper.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsections (G) and (I) effective January 25, 1985 (Supp. 85-1). Amended subsections (F) and (G) effective December 5, 1985 (Supp. 85-6). Amended subsections (F) and (G) effective February 19, 1987 (Supp. 87-1). Amended subsections (A) and (B) effective October 23, 1987 (Supp. 87-4). Amended subsections (E), (F) and (G) effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). Amended effective January 13, 1995 (Supp. 95-1). R19-2-106 recodified from R4-27-106 (Supp. 95-1). Amended effective January 6, 1998 (Supp. 98-1).

R19-2-107. Stable Names

A. A licensed owner wishing to race under a stable name shall register with the Department and shall pay the fee set forth in these rules.
1. Only owners shall register or secure a license under a stable name.
2. A name other than the legal name of the owner shall be deemed to be a stable name.

B. The registration referred to in subsection (A) of this Section must include the identity of the individual(s), partnership(s), or corporation(s) represented by the stable name.
1. All persons represented by a stable name shall have owners' licenses.
2. All persons represented by a stable name shall sign an authorized agent's application which appoints one person to act as the agent for the stable name.
3. If the stable name represents a corporation:
   a. The corporation shall register to do business according to the laws of the state of Arizona.
   b. The corporation shall submit a complete list of stockholders whose ownership exceeds ten percent and the number of shares owned by each.
   c. The corporation shall notify the Department immediately if any change of stock ownership exceeding ten percent occurs.
   d. The corporate name under which the corporation does business in Arizona shall be considered a stable name for the purposes of these rules.

C. A stable name other than a corporate stable name may be changed at any time by registering a new stable name and by paying the fee set forth in these rules.

D. A registered stable name may be abandoned by a licensed owner after written notice of such abandonment has been given to the Department.

E. A stable name shall be plainly distinguishable from any other registered stable name.

F. A licensed owner shall not register such owner's stable name:
1. One which the Department determines to be misleading to the public;
2. One which the Department determines to be unbecoming to the sport.

G. A licensed owner shall not be a party to more than one stable name at one time.

H. A licensed owner shall not use such owner's legal name for racing purposes if such owner has a registered stable name within the state of Arizona.

I. Only one stable shall be registered under a stable name.

J. All persons represented by or operating under a stable name shall be liable for all entry fees and penalties against the stable.

K. The stable name shall be carried on the official program as the name of the owner.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-107 recodified from R4-27-107 (Supp. 95-1).

R19-2-108. Leases

A. The lessee of a horse shall file a copy of the leasing arrangement with the Department. The leasing arrangement shall include:
1. The name of the horse,
2. The name and address of the owner-lessor,
3. The name and address of the lessee,
4. The stable name, if any, of each party,
5. The terms of the lease.

B. No corporation having more than ten stockholders who are the registered or beneficial owners of stock or membership in the corporation shall lease any horse owned or controlled by it to any person or partnership for racing purposes.

C. No owner's license shall be granted to a lessee of any corporation referred to in subsection (B) of these rules.

D. A corporation which leases horses for racing purposes in this state, its stockholders, and its members shall file with the Department, upon request, a report containing such information as the Department may specify.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-108 recodified from R4-27-108 (Supp. 95-1).

R19-2-109. Jockeys

A. Generally
1. A jockey shall pass a physical examination by a physician designated by a permittee. An examination is valid for a 12-month period. A steward may require that a jockey take an additional physical examination if the steward reasonably suspects a jockey's health may endanger himself, his mount, or others. A steward may refuse to allow any jockey to ride until the jockey successfully passes another examination. A steward or a steward's designee may require that any jockey provide blood or urine samples for analysis upon request under A.R.S. § 5-104 (C).
2. A jockey who rides in a race shall report to the jockey room at the time posted in the jockey room and shall remain in the jockey room between races until all engagements for the day have been fulfilled.
3. A jockey shall wear standard jockey attire in official races.
4. Only a jockey, an attendant and a racing official are permitted in the jockey room.
5. A jockey is entitled to a mount fee when the jockey is weighed out by the clerk of scales except in the following cases:
   a. The jockey refuses to ride a mount without proper cause.
   b. A steward replaces a jockey with a substitute jockey, unless the jockey is being replaced because of an injury received after weighing out and before the start of a race.
6. A jockey named at the draw by lot or by a steward can be replaced by an owner or trainer without payment of a mount fee by notifying a steward or the steward's designee by 9:00 a.m. the following entry day.
7. An owner or trainer shall pay a mount fee to a replaced jockey equal to the fee of the jockey who rides the race unless:
   a. An owner or trainer replaces a jockey by notifying a steward or the steward's designee no later than 9:00 a.m. MST on the day immediately preceding the day of the race. In such a case, an owner shall pay a losing fee for each jockey the owner replaces in a race. The Director may establish an earlier deadline for jockey changes in consultation with a permittee, steward, jockey, owner, and trainer, or their representatives at the race meeting. The Director shall not establish a deadline for jockey changes later than noon of a race day at any race meeting with an average daily handle of $100,000.00 or less; or
   b. A replaced jockey or jockey's agent waives the fee.

B. Equipment
1. A bridle that exceeds 2 pounds in weight shall not be used in a race.
2. A jockey shall use a whip in a race at least 1/4 inch in diameter but not more than 1 pound in weight or 29 inches in length including the popper.
3. A jockey, apprentice jockey, exercise rider, pony person, and any other person mounted on a racing surface shall wear a properly fastened helmet.

C. Weight; weighing
1. An owner shall deposit a losing mount fee with a permittee before a jockey is weighed out for a race. If an owner fails to comply with this subsection, a steward may declare the owner's horse out of the race.
2. A jockey shall weigh out and weigh in for a race without a whip or a bridle.
3. A jockey's weight is measured against the jockey's assigned weight as published in the official race program.
4. A jockey shall not weigh more than 1 pound less than the jockey's assigned weight published in the official program.
5. A jockey shall declare the amount of overweight at the time of weighing out.
   a. A jockey shall not ride in a race if more than 2 pounds overweight without the consent of the owner or trainer of the horse the jockey is to ride.
   b. A jockey shall not ride in a race if more than 7 pounds overweight without the consent of a steward.
   c. A steward shall not disqualify a horse because of any overweight the horse might carry.
   d. A permittee shall publicly post any change of weight different from that published in the official program.
6. Immediately after pulling up, a jockey shall ride to the place of weighing in, dismount after obtaining permission from the official in charge, and wait to be weighed by the clerk of the scales.

7. A jockey shall not intentionally touch any person or thing other than the jockey's own equipment before weighing in.
   a. A jockey shall unsaddle the jockey's own horse, unless the jockey has obtained permission from an official in charge.
   b. An attendant may touch a the horse only by its bridle unless the attendant has obtained permission from an official in charge.
   c. A person shall not touch the equipment of a jockey who has returned to the winner's circle to dismount until the jockey has been weighed in unless the person has obtained permission from the official in charge.
8. A jockey who is not able to ride to the place of weighing in because of an accident or illness which disables either the jockey or the horse shall walk or be assisted to the scales.

D. Apprentice jockey
1. Licenses.
   a. An applicant for an apprentice jockey license shall provide a certified copy of the applicant's birth certificate or other satisfactory evidence of date of birth.
   b. A steward shall issue an apprentice jockey license if an applicant:
      i. Is more than 16 years of age and, if less than age 18, a parent or guardian signs the license application assuming full financial responsibility for the applicant;
      ii. Is approved working a horse out of the gate by the starter;
      iii. Successfully demonstrates to a steward the ability to gallop or exercise a horse; and
      iv. Has the necessary tack and wearing apparel.
2. Expiration of license; weight allowance
   a. An apprentice jockey license expires when the apprentice jockey can no longer claim the weight allowances under subsection (b). Upon expiration an apprentice jockey shall surrender the apprentice jockey license to the Department. If a license expires during the term of the current licensing cycle the Department shall issue a jockey license at no additional cost.
   b. An apprentice jockey who has not been licensed previously in any country may claim an allowance in all overnight races except handicaps as follows:
      i. Five pounds for 1 year from the date of the apprentice jockey's 5th winner.
      ii. If an apprentice jockey has not ridden a total of 40 winners within a period of 1 year from the date of the apprentice jockey's 5th winner, the Department shall allow the jockey to claim the 5 pound allowance for 3 years from the date of the apprentice jockey's 1st winner or until the apprentice jockey has ridden a total of 40 winners whichever comes 1st.
   c. The calculation of the time for which an apprentice jockey can claim an allowance shall not include time:
      i. In the armed forces; or
      ii. The apprentice jockey is physically incapacitated.
   d. An apprentice jockey may ride quarter horses, provided that:
      i. An apprentice jockey shall not claim an apprentice jockey weight allowance in the race; and
      ii. The Department does not consider a winner in the race for the purpose of computing the expiration of the right to claim an apprentice jockey allowance.

E. Prohibited acts
1. A jockey shall not ride in a race against a starter of the jockey's contract employer unless both the jockey's mount and the starter of the jockey's contract employer are trained by the same trainer.
2. A jockey shall not fail or refuse to fulfill an engagement for a race or for a specified time unless:
   a. The race or race card is canceled; or
   b. A steward excuses the jockey.
3. A jockey or a jockey's spouse shall not own, either in whole or in part, a horse registered for racing at a track where the jockey is riding.
4. A jockey shall not engage in any pari-mutuel wagering transaction except through the owner of and on the horse that the jockey rides.
5. A jockey attendant, jockey valet, or any licensee employed inside a jockey room shall not place a bet for themselves or for another person during the time that they are acting under the authority of their license.
6. A jockey shall not ride against a horse trained by the jockey's spouse except as part of an entry.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-109 recodified from R4-27-109 (Supp. 95-1). Amended by final rulemaking at 5 A.A.R. 812, effective February 24, 1999 (Supp. 99-1).

R19-2-110. Jockey Agents

A. A jockey agent shall be accompanied by the jockey such jockey agent will represent when applying for a jockey agent's license.

B. A jockey agent shall not contract riding engagements for more than two jockeys and one apprentice jockey at the same time.

C. Only one fee shall be charged for a jockey agent's license.

D. A jockey agent may change a rider with the permission of the stewards.

E. A jockey agent shall not work in any other capacity at the track where such jockey agent is licensed.

F. A jockey agent may enter horses if such jockey agent has the permission of the horse's trainer.

G. Riding engagements shall be made only by a jockey or by such jockey's jockey agent.

H. A jockey agent shall not communicate with the jockey such jockey agent represents during racing hours. A jockey agent shall notify the jockey such jockey agent represents of late riding engagements through the stewards or designated official.

I. A jockey may act as such jockey's own agent. If such jockey chooses to do so:
1. The jockey shall notify the stewards of such jockey's intention to represent him- or herself.
2. The jockey shall comply with all rules governing jockey agents.
3. The jockey is not required to obtain a jockey agent's license.

J. When a jockey or such jockey's jockey agent wishes to terminate the agent agreement, the jockey and the jockey agent shall appear together before the stewards to advise them that their agreement has been terminated.

Historical Note
Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-110 recodified from R4-27-110 (Supp. 95-1).

R19-2-111. Trainers

A. Trainers shall be obligated to know the provisions of the rules governing racing in the state of Arizona.

B. Trainers and their employees shall accept the decisions of the stewards on all questions to which their authority extends, subject to the right of appeal to the Department pursuant to R19-2-123.

C. Trainers shall be responsible for the condition of horses under their care and are required to protect such horses from acts of other parties.

D. Trainers shall be responsible for determining that each person employed by them at a licensed track is licensed by the Department and that the owner of each horse which is to be entered by them in any race is licensed by the Department.

1. Trainers shall refuse to act on behalf of any participant at a licensed track if they have reason to believe, in the exercise of reasonable discretion, that such a participant is not licensed by the Department.
2. Trainers shall not enter a horse in any race, except handicaps, stakes, futurities, derbies and maturities, if they have reason to believe that the owner or owners of such horse is not licensed by the Department prior to the time of entry. In handicaps, stakes, futurities, derbies and maturities, entries may be taken prior to the time the owner or owners of such horse is licensed; provided, however, that if there are no horses on the also-eligible list, the owner must be licensed at least one hour before post time of the first race of the day. If there is an also-eligible list with eligible horses, any trainer who has entered a horse and does not have the owner or owners licensed, shall, at the designated scratch time for the race, have the horse scratched.
3. Trainers shall report the existence of the circumstances set forth in subsections (D)(1) and (2) of this Section to the stewards.

E. Trainers shall file all registration papers with the racing secretary within 48 hours of their arrival on the grounds of the permittee.

F. Trainers shall ensure that each of their owners has a set of colors registered in the office of the racing secretary and possessed by the jockey room custodian before a horse is entered in a race if track colors are not in use.

G. Trainers shall pick up all registration papers and colors at the close of the meeting.

H. Trainers shall notify the stewards prior to the transfer of horses to or from trainers during the meeting. Any such change shall be approved by the stewards.

I. No trainer shall shoe any horse which is not under such trainer's care except by permission of the stewards.

J. When a trainer is absent from the grounds where the trainer's horses are racing, such trainer shall provide a substitute licensed trainer to be responsible for such horse or horses. Responsibility for any violation of subsection (C) of this Section or R19-2-112(16) shall be deter mined, as between the two trainers by the stewards. No provision of these rules shall be construed to relieve the absent trainer of responsibility or to limit such trainer's responsibility under subsection (C) of this Section. Both trainers shall sign a "Trainers' Responsibility Form" provided by the Department and shall be approved by a steward.

K. No trainer shall have any ownership interest in a horse for which such trainer is not the trainer and which is located at the track where such trainer trains. No trainer shall have any ownership interest in any other horse in the same race. For purposes of this rule, a reversionary interest created pursuant to an agreement transferring control of a horse is not an ownership interest.

L. Horses trained by husband or wife, registered at the same track, for entering purposes shall be considered trained by same trainer.

M. A trainer who is actively participating in more than one race meeting at one time may employ an assistant trainer with the approval of the stewards. Such assistant trainer shall comply with all the requirements for a trainer as prescribed by this Section and shall be completely responsible for all horses under their care.

Historical Note
Adopted effective August 5, 1983 (Supp. 83-4).
Amended subsection (D) paragraph (2) effective February 7, 1984 (Supp. 84-1). Amended effective March 20, 1990 (Supp. 90-1). R19-2-111 recodified from R4-27-111 (Supp. 95-1).

R19-2-112. Prohibited Acts

Generally:

1. A licensee shall not enter, or cause or permit to be entered, or start a horse a licensee knows or has reason to believe should be disqualified.
2. A veterinarian or plater, licensed to practice on a track under the jurisdiction of the Department, shall not own, lease, or train horses racing at the track on which they practice.
3. A person shall not participate in an unauthorized race on a track while a racing meeting is in progress.
4. A person shall not offer or receive money or other consideration for declaring an entry out of a purse or stakes race.
5. A person shall not possess, within the grounds of any permittee, an electrical, mechanical, or other device, other than ordinary equipment, which may be used to affect the speed or racing condition of a horse. Possession includes, but is not limited to, possession:
   a. On the person;
   b. In living or sleeping quarters;
   c. In an assigned stall, tack room, or other area;
   d. In a motor vehicle or trailer.
6. Other than a physician or veterinarian licensed by the Department, a person shall not possess, within the grounds of any permittee, any foreign or prohibited substance, injectable vial, hypodermic needle, syringe, or any other instrument which might be used for injection, without written permission of the stewards. Possession includes, but is not limited, to possession:
   a. On the person;
   b. In living or sleeping quarters;
   c. In an assigned stall, tack room, or other area;
   d. In a motor vehicle or trailer.
7. A licensee listed in A.R.S. § 5-104(F) shall not apply, inject, inhale, ingest, or use any prohibited substance while on permittee grounds, unless, upon the request of a steward, the licensee can produce evidence that the possession or use of a prohibited substance is legitimized by a lawfully issued prescription.
8. A jockey, apprentice jockey, exercise rider, or pony rider shall not consume intoxicating liquor on a race day, prior to completing riding commitments for the day.
9. A licensee or race track employee shall not accept, either directly or indirectly, a bribe, gift, or gratuity in any form

which is intended to or might influence the results of a race or the conduct of a racing meeting.

10. A licensee, while on the premises of the permittee, shall not create a disturbance, be intoxicated, interfere with a racing operation, or act in an abusive or threatening manner to a racing official or other person.
11. Only veterinarians licensed by the Department shall administer to or prescribe for horses on the premises of any permittee.
    a. A licensed veterinarian shall maintain a written record of the name, date, and amount of any drugs or treatments prescribed or administered at the track.
    b. Notwithstanding the provisions of subsection (11) of this rule, any veterinarian may treat a horse if an emergency involving the life or health of such horse exists.
12. Notwithstanding the provisions of subsection (16) of this Section, a person shall not administer or cause to be administered a foreign substance, internally or externally, to a horse entered in a race, prior to the race on the calendar day in which the horse is to run, except that:
    a. With permission of the Department veterinarian, a licensed veterinarian may administer furosemide or conjugated estrogens on the day of the race to control exercise-induced pulmonary hemorrhage, subject to the restrictions prescribed in R19-2-121(P)(5), (6), and (7). The Department veterinarian shall place these horses on the lasix list. The Department veterinarian shall grant permission for placement of a horse on the lasix list if a veterinarian licensed by the Department determines that a horse suffers from exercise-induced pulmonary hemorrhage or a racing regulatory agency has placed the horse on a bleeders' list at a track outside of Arizona.
    b. A person shall not administer furosemide within 4 hours prior to post time of a race in which the horse is run.
    c. A permittee shall clearly identify horses given furosemide on the program or on a list located in areas where mutuel tickets are sold.
13. The Commission has established permissible trace levels of the following foreign substances, as defined in R19-2-102(15).
    a. The trace level of Phenylbutazone shall not exceed 5 micrograms per milliliter of plasma of the horse.
    b. The trace level of Oxyphenbutazone shall not exceed 5 micrograms per milliliter of plasma of the horse.
14. A person shall not participate in the nerving of a horse intended to be entered in a race at a track within the state of Arizona.
    a. Registration papers will not be accepted on nerved horses.
    b. A person shall not enter a nerved horse in a race.
    c. A person shall not race a horse which is desensitized by the application of cold, chemical, or mechanical freezing devices at the time of arrival at the receiving barn or saddling paddock.
15. Test samples
    a. Animal testing
        i. A steward or Department veterinarian may subject an entry in a race to saliva, urine, blood, or other tests for the purpose of finding foreign substances.
        ii. Persons approved by the Department shall take samples of saliva, urine, blood, or other substances.
        iii. A steward may authorize the splitting of any sample.
        iv. A Department veterinarian may require blood, urine, or saliva samples to be stored in a frozen state for future analysis.
        v. The owner, trainer, or their representative may be present at all times during the taking and sealing of such tests and samples.
        vi. The owner, trainer, or representatives of either shall sign documents evidencing the procedure.
        vii. A person shall not interfere with the collection or procedures conducted under this rule.
    b. Human testing
        i. As set forth in A.R.S. § 5-104(C) and R19-2-112(8) and (10), a licensee shall immediately submit to blood, urine, breath, or other tests ordered by the stewards, if the stewards have reason to believe the licensee is under the influence of or in possession of any prohibited substance or has consumed alcohol in violation of subsection (8) or (10) of this Section.
        ii. A licensee shall provide a test sample in the presence of a steward or the steward's designee, submitted in a container furnished by the Department and immediately sealed by the steward or steward's designee in the presence of the licensee being tested.
        iii. The steward or steward's designee shall mark the container with the following items: sample identification number; time, date, and location where the sample was given; and the signature of Department personnel sealing the container.
        iv. The steward or steward's designee shall submit the container to a Department-approved laboratory for analysis.
        v. If laboratory analysis indicates the positive presence of any prohibited substance or alcohol in the tested licensee's sample, the licensee may be subject to license suspension or revocation or civil penalties, as set forth in R19-2-121(E)(3)(f) and A.R.S. § 5-108.05(A).
        vi. Test results and information obtained during the testing process are accessible only to members of the Commission, the Director or designees of the Director, and the tested licensee. The Department shall keep the information in a locked, secured area of the Department office.
        vii. The steward's or designee's compliance with these rules constitutes prima facie evidence that the chain of custody of the test samples is secure. The presiding officer in an administrative proceeding of the Department or Commission shall admit the results of such tests.
16. The trainer, groom, and any other person charged with the custody and care of a horse is required to protect and guard the horse against the administration, either internally or externally, of any foreign substance. A positive test indicating the presence of a foreign substance (except as set forth in subsections (12) and (13) of this Section) creates the presumption of failure to meet the duty imposed by this rule.
17. The owner of a horse disqualified in a race because of an infraction of these rules shall forfeit and return the purse

or stakes, the trophy received from the race, and the entry or subscription money.

a. The stewards shall distribute winnings forfeited pursuant to this subsection among the remaining entitled entries in the race.

b. The stewards shall disqualify and may declare a horse unplaced for every purpose except pari-mutuel wagering if the chemical analysis performed pursuant to subsection (15)(a) of this Section indicates the presence of a foreign substance classified as Class 1 or Class 2 under the Association of Racing Commissioners International, Inc., February 14, 1995, Uniform Classification Guidelines for Foreign Substances incorporated by reference, on file with the Office of the Secretary of State, and not including any later amendments or editions.

c. The stewards may disqualify and declare a horse unplaced for every purpose except pari-mutuel wagering if the chemical analysis performed pursuant to subsection (15)(a) of this Section indicates the presence of a foreign substance classified as Class 3, Class 4, or Class 5 under the Association of Racing Commissioners International, Inc., February 14, 1995, Uniform Classification Guidelines for Foreign Substances incorporated by reference, on file with the Office of the Secretary of State, and not including any later amendments or editions.

d. The stewards may disqualify and declare a horse unplaced for every purpose except pari-mutuel wagering if the chemical analysis performed pursuant to subsection (15)(a) of this Section shows that a horse on the lasix list raced without the medication described in subsection (12) of this Section, or that the plasma of the horse contained trace levels of medication in excess of the level permitted by subsection (13) of this Section.

e. The Department veterinarian shall review all reports indicating the presence of a foreign substance and consult with the stewards prior to the initiation of disciplinary action. When a report indicates the presence of a substance classified as Class 3, Class 4, or Class 5, the Department veterinarian's review shall specifically address trace-level detection to prevent the initiation of disciplinary action based upon pharmacologically insignificant traces of a substance.

18. The Department may suspend the license of a licensee who refuses to make a payment for financial obligation incurred in connection with racing in this state.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended paragraphs (10) and (11) effective June 6, 1986 (Supp. 86-3). Amended paragraphs (10) and (11) effective August 3, 1987 (Supp. 87-3). Amended effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-112 recodified from R4-27-112 (Supp. 95-1). Amended effective January 12, 1996 (Supp. 96-1).

R19-2-113. Entries and Subscriptions

A. Entry

1. An owner or trainer shall not register a horse for racing under these rules unless the horse is registered by the Jockey Club, American Quarter Horse Association, Arabian Horse Club Registry of America, Inc., Appaloosa Horse Club Inc., American Paint Horse Association, American Donkey and Mule Society, or American Mule Association.
2. An owner or trainer shall list each person with an ownership interest in a horse on the back of the horse's registration papers.
3. An owner, trainer, or their authorized agent may enter a horse in person, by telephone, by telegram, or in writing.
4. The stewards shall consider a horse entered for a purse a "starting horse" unless they declare the horse out of the race.
5. A person nominating a horse in a stakes race shall write his or her full name, mailing address, and telephone number on the nomination form.
6. A person shall not enter a horse in more than 1 race in 1 day.
7. An owner shall not transfer a horse to a new trainer after entry.
8. An owner shall not enter a horse if the horse's performance records for the preceding calendar year are not printed in the Daily Racing Form Monthly Chart Book, unless the owner provides the horse's performance records to the racing secretary prior to entry.
9. The owner or trainer shall sign and certify the performance record and shall include the following information for the horse's last 4 races in the record;
   a. Where and when the horse raced;
   b. The distance, the weight carried, and the amount earned.
   c. The finishing position and time of the race.
10. The 2nd half of an entry has no preference over a single entry except in stakes, handicaps and qualifying races.
11. An owner entering 2 or more horses in a race shall indicate the owner's preference for the horse that is to start if the race overfills. Horses excluded as part of an entry receive no consideration.
12. The racing secretary shall decide whether there shall be an "also-eligible" list for any meeting.
    a. The racing secretary shall determine the number of "also-eligibles" if the entries of a race exceed the capacity of the starting gate.
    b. If the number of entries to a race exceeds the number of horses permitted to start, the racing secretary shall determine the starters by lot in a drawing supervised by a steward and witnessed by those making entries. If any of the 1st group of starters declares out, the racing secretary shall draw, by lot, an equal number of horses from the "also-eligibles" to fill the vacancies in the race.
    c. The racing secretary shall assign horses, other than quarter horses, which gain a position in a race from the "also-eligible" list to the outside post positions in the order in which they are drawn from the list. The racing secretary shall assign quarter horses to the stalls of the horses which are declared out.
    d. If a horse on the "also-eligible" list is not given the opportunity to start because of insufficient declarations, the racing secretary shall place the name of the horse on the preferred list. The racing secretary shall not place a horse on the preferred list if the owner did not accept the opportunity to start.
    e. A horse whose owner, trainer, or authorized agent has drawn its position in a race and entered it again for the next race day is called an "in today horse".

i. If a race in which a horse is entered overfills, the racing secretary shall not consider the "in today horse" except in cases where the conditions read "Arizona Breds Preferred", stakes, and handicaps.

ii. The racing secretary shall not consider a horse on the "also-eligible" list as an "in today horse" until it has been given a position in a race or an opportunity to run.

f. At tracks where entries are taken 2 or more days ahead of the date of the race, an owner, trainer, or authorized agent may re-enter a horse on the next date if it has been placed on the "also-eligible" list. If it is drawn into a race from its position on the "also-eligible" list, the horse shall be declared an "in today horse" and be withdrawn from the race the following day in favor of a horse on the "also-eligible" list of that race.

13. A person shall make a claim of preference at the time of entry by noting it on the entry blank or the preference will be lost.

a. When a horse has been entered in a race, a person shall withdraw a horse only with permission of the stewards.

b. The racing secretary shall post a copy of the preferred list each afternoon, and any person making a claim of error shall do so by 10:00 a.m. of the following day. The stewards shall not recognize a claim of error made after this time.

14. If an owner or trainer does not declare his or her horse from the "also-eligible" list by the prescribed time, the racing secretary shall consider that owner or trainer willing to start the horse in the event of a scratch from the body of the race. The racing secretary shall not place a horse on the preferred list if the owner did not accept the opportunity to start a horse.

15. A person may not be alter an entry after the closing of entries. The racing secretary may correct an error in an entry at any time.

16. If the name of a horse is changed, the racing secretary shall publish the new name and the former name in the official entries for the horse's 1st 3 starts. If the name of an Arizona-bred horse is changed, the racing secretary shall report it to the Department in writing within 30 days, listing the new name and the former name.

B. Conditions for entry

1. A person shall not enter a horse in a race unless its certificate of foal registration, certificate of foreign registration, or racing permit is on file in the racing office of the track at which the horse is to race, or unless permission is granted by the stewards. Foal certificates, which are registered with the racing secretary and are in transit between that office and the American Quarter Horse Association because of a transfer of ownership, are considered to be in the possession of the racing secretary.

2. A horse which has reached its 6th birthday or, on the County Fair race meets, a horse which has reached its 7th birthday, and which has not won a race is ineligible to race in Arizona.

3. A horse which has reached its 14th birthday is ineligible to race in Arizona.

4. The stewards shall not permit a horse to run for a purse or stakes unless it has been entered in a race and is eligible for the race.

5. The stewards may summon a person in whose name a horse is entered to produce proof that the horse entered is not the property, either wholly or in part, of a person who is disqualified, or to produce proof of the extent of a person's interest or property in the horse. Failure to produce satisfactory proof may result in the stewards declaring the horse out of the race.

6. A horse is not qualified for entry if it is on the stewards', paddock judge's, starter's, or veterinarian's list, or if it has been ruled off.

7. The racing secretary shall consider the performance records of horses racing on the county fair circuit to determine their eligibility at commercial meet races. County fair racing secretaries shall place all county fair wins on the back of the foal certificates.

8. The owner, trainer, or authorized agent shall ensure that a horse that has not started within 45 days has 2 official works before starting at a commercial meet.

C. Starts

1. A person shall not enter a horse in a race unless it has been fully identified and tattooed, unless otherwise authorized by the stewards. A person who participates in any manner in establishing the identity of a horse, including the breeder, owner, trainer, and identifier, is responsible for the accuracy of the information the person provides.

2. An owner, trainer, or authorized agent shall not start a horse in a race until all stakes, forfeits, entry fees, and arrears due on the horse have been paid.

3. The racing secretary shall not permit a horse to start in a stakes race unless it has passed the entry box on the day on which entries for the stakes race are taken.

4. An owner, trainer, or authorized agent shall not start a horse in a race unless all persons having an ownership interest in the horse or an interest in the winnings of the horse have registered with the racing secretary.

5. The racing secretary shall post the saddle-cloth numbers of the horses in a race after overnight entries are closed and post positions are drawn. If a horse with an assigned saddle-cloth number does not start or run the course, the stewards may require an explanation from the owner, trainer, or jockey.

D. Fees

1. The entrance to a purse race is free unless otherwise stipulated in the conditions of the race. If the conditions require an entrance fee, the fee is paid at the time of entry.

2. The person entering a horse is liable for nominating, sustaining, and starting fees. The subscriber or subscriber's transferee are not entitled to a refund in the event of horse death, withdrawal, or mistake in a horse's entry if the horse is eligible, except as provided in subsection (D)(3).

3. The permittee shall not refund entrance money for a purse race that is run if a horse fails to start or dies unless otherwise provided in the conditions of the race.

4. The permittee shall distribute the entrance money, starting, and subscription fees, as provided in the conditions of the race. If a race is not run, the permittee shall refund all stakes or entrance money.

5. The death of a nominator or subscriber does not void an entry, subscription, or right of entry.

6. A person shall not transfer a horse to an owner or trainer to avoid disqualification. The person making or receiving such a transfer may be fined and suspended.

E. Closing

1. The racing secretary shall close the entries for purse races at the time advertised in the condition book and shall not receive an entry after that time. If a race fails to fill, additional time may be granted by the stewards.

2. In the absence of notice to the contrary by the permittee, nominations for stakes which close during or on the eve of a racing meeting close at the office of the racing secretary at the published time.
3. The racing secretary shall not receive entries and declarations for stakes after the designated closing time.
4. The racing secretary shall not accept an entry after a race has been drawn even though the number of horses on the "also-eligible" list is insufficient to provide a full field.
5. The racing secretary shall consider a horse, withdrawn from a race after the overnight entries are closed, a scratch. The scratched horse loses all of its accrued preferences up to that date unless it is excused by the stewards.

F. Declarations
1. An owner, trainer, or authorized agent shall declare a horse from a stakes, handicap, or qualifying race in writing no later than 1 hour prior to post time of the race.
2. The racing secretary shall not give preference to a horse which is declared from the "also-eligible" list of a race for having entered in that race. The horse may retain the position it previously held on the preferred list if a full field is left in the race at scratch time.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). Age reference to "16th birthday" in subsection (B)(2) corrected to read "6th birthday" (Supp. 93-1). R19-2-113 recodified from R4-27-113 (Supp. 95-1). Amended effective April 7, 1995 (Supp. 95-2). Amended effective March 7, 1996 (Supp. 96-1).

R19-2-114. Penalties and Allowances

A. Eligibility, penalties, and allowances of weight for all races shall be determined after consideration of the reports, records, and statistics published by the Daily Racing Form and by other racing statistical publications. Responsibility for weight carried and for eligibility shall remain with the owner and trainer.

B. Penalties and allowances shall not be cumulative unless so declared by the conditions of the race. They shall take effect at the time of starting; provided, however, that in overnight events a horse shall have only the allowance to which it was entitled at the time of entry.

C. Penalties shall be obligatory. Allowances shall be optional in whole or in part. In overnight events, allowances must be claimed at the time of entry.

D. Failure to claim a weight allowance by overnight omission shall not be a cause for disqualification. A claim of weight allowance to which a horse is not entitled shall not be a cause for disqualification unless such incorrect weight is carried in the race. However, a fine may be imposed upon the person claiming allowance to which such person's horse is not entitled.

E. No horse shall receive an allowance of weight or be relieved from extra weight as a result of having been beaten in one or more races. This rule shall not prohibit maiden allowances or allowances to horses that have not won a race within a specified period or a race of a specified value.

F. No horse shall incur a weight penalty for a placement from which it is disqualified, but a horse placed through disqualification of another horse shall incur the weight penalties of that placement. No such placement shall make a horse ineligible for a race which has already been run.

G. When a race is in dispute, both the horse that finished first and any horse claiming the race shall be liable to all penalties attaching to the winner of that race until the matter is decided.

H. Horses which have started for a claiming price in optional or combination races shall be considered to have started in a claiming race.

I. Races written to be run under "scale weights" or "weights for age" shall be run under the scale approved by the Department.

J. In races of intermediate length, the weights for the shorter distances shall be carried.

K. In all races except handicap races and races in which conditions expressly provide otherwise:
1. Two-year-old fillies are allowed three pounds.
2. Fillies and mares three years old and older are allowed five pounds before the first of September and three pounds thereafter.
3. The provisions of subsections (K)(1) and (2) of this Section shall not apply to quarter horse fillies and mares.

L. The racing secretary may write races either above or below the scale, in the racing secretary's discretion; provided that:
1. Not more than ten pounds shall be deducted from the scale of weights for age with the exception of allowances in overnight races.
2. The total allowances of any type shall not reduce the lowest weights below 100 pounds in any race.
3. The provisions of subsection (L)(1) of this Section shall not apply to handicap races.
4. The provisions of subsection (L)(2) of this Section shall not apply to two-year-olds racing with older horses.

M. Starter allowance eligibility conditions
1. A horse shall have started in a claiming race, or in an optional claiming race to be claimed, in order to establish eligibility in a starter allowance race.
2. In addition to the provisions of subsection (M)(1) of this Section, to be eligible for a starter allowance a horse shall:
   a. Have started for the claiming price designated in the conditions of the race or have started for a price less than that claiming race.
   b. Not have won for a price higher than that designated in the conditions of the race since last starting for that price or for less than that price.
   c. Not have won a race other than a claiming race since last starting for the claiming price designated in the conditions of the race or for less than that price.
3. Any horse claimed in a claiming race must be entered for a claiming price to establish new eligibility for a starter allowance race.
4. Eligibility for a starter allowance race remains unchanged following a private sale.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-114 recodified from R4-27-114 (Supp. 95-1).

R19-2-115. Claiming Races: Eligibility for Claiming

In claiming races, any horse is subject to a claim for its entered price by any licensed owner of a horse duly registered for racing at the track, such owner's licensed authorized agent, or the holder of a claiming authorization issued by the stewards.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsection (A) effective December 5, 1985 (Supp. 85-6). Amended effective March 20, 1990 (Supp. 90-1). Former Section R4-27-115 renumbered to R4-27-115, R4-27-115.02 through R4-27-115.07, and R4-27-115.09; new Section R4-27-115 renumbered from R4-27-115(A)(1) through (5) and (B) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115 recodified

from R4-27-115 (Supp. 95-1).

R19-2-115.01. Claiming Races: Duration of Race Meetings

For purposes of R19-2-115 through R19-2-115.10:

1. A commercial meeting includes county fair dates which may be run at the commercial track before, during, or after the commercial meeting.
2. A county fair meeting includes the entire county fair circuit, spring and fall.

Historical Note

Adopted effective September 8, 1992 (Supp. 92-3). R19-2-115.01 recodified from R4-27-115.01 (Supp. 95-1).

R19-2-115.02. Claiming Races: Steward Claiming Authorization

A. The following persons may apply to the stewards for claiming authorization:

1. A licensed owner whose last horse has been lost by claim, death, or career-ending injury during a commercial or county fair meeting.
2. A person licensed in partnership or other form of multiple ownership wanting to claim a horse in sole ownership, or currently licensed persons wanting to join in a multiple ownership venture. A licensed owner may not be a party to more than one stable name or use his or her legal name for racing purposes if already registered in a stable name.
3. A licensed owner whose horse is not participating at an Arizona track during the current Arizona licensing cycle.
4. A person making application for an owner's license who intends to obtain his or her first horse through claiming.
   a. At least seven days prior to entering a claim, the applicant shall submit to the Department a completed owner's license application and fingerprint card, the owner's license fee, and evidence of current employment or other indication of financial responsibility. In addition, an applicant with previous pari-mutuel racing participation shall submit documentation that the applicant is in no way disqualified in this or any other jurisdiction.
   b. Upon determination that an applicant has met all requirements for an owner's license, except the requirement of horse ownership, claiming authorization may be granted and claiming credentials may be issued.
   c. Upon the successful claim of a horse, the owner's license shall be issued.

B. A person applying for authorization pursuant to this rule shall submit written acknowledgment that a licensed trainer shall assume care and responsibility for any horse claimed.

C. A person who claims a horse through authorization obtained under this rule shall start the claimed horse back pursuant to R19-2-115 through R19-2-115.10 before claiming again in his or her own name or in partnership.

D. Claiming authorization obtained pursuant to this rule shall be valid for six months or until the authorized person successfully claims a horse, which occurs first.

Historical Note

Section R4-27-115.02 renumbered from R4-27-115(A)(6)(a), (b), and (d), (C)(3), (4), (6)(c)(i) and (ii), (10)(a) and (12) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.02 recodified from R4-27-115.02 (Supp. 95-1).

R19-2-115.03. Claiming Races: Claiming Restrictions

A. An authorized agent, although representing more than one owner, may not submit more than one claim in any one race, or claim a horse for himself or herself in the capacity of agent.

B. When a stable consists of horses owned by more than one person and trained by the same trainer, not more than one claim may be entered on behalf of the stable in any one race.

C. The stewards, at their discretion, may require any person making a claim for a horse to provide written affidavit that he or she is claiming the horse for his or her own account, or as authorized agent, and not for any other person.

D. A person shall not offer to enter into an agreement to claim or not to claim, or attempt to prevent another person from claiming, any horse in a claiming race. A person shall not attempt to prevent anyone from running a horse in any race. Owners or trainers running horses in any claiming race shall not make any agreement for the protection of each other's horses.

E. A person may not enter, or allow to be entered, in a claiming race a horse against which any lien is held, unless, when or before entering the horse, the written consent of the holder of the lien is filed with the clerk or the course or racing secretary.

F. A person may not claim an ownership interest in a horse after the horse has run in a claiming race in the name of another person who, at the time of the race, had peaceable and undisputed possession of the horse.

G. A person may not claim his own horse, or cause his own horse to be claimed, directly or indirectly, for his account.

H. An owner shall not claim any horse in the care and custody of the owner's trainer.

Historical Note

Section R4-27-115.03 renumbered from R4-27-115(C)(1), (7) and (8), (F)(1), (2), and (3), (G)(1) and (2), (L), (M), and (N) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.03 recodified from R4-27-115.03 (Supp. 95-1).

R19-2-115.04. Claiming Races: Delivery of Claimed Horse

A. Any horse claimed shall, after the running of the race, be delivered to the claimant. The claimant shall present written authorization from the stewards or their representative to the owner of the horse.

B. Claimed horses which are sent to the detention area for post-race testing shall be delivered at the detention area. All other claimed horses shall be delivered pursuant to directions from the stewards on a meet-by-meet basis.

C. The claimant of a horse not known to be designated for testing may require such procedure, provided that physical delivery of the claimed horse has not occurred and that the claimant shall pay testing costs. The original trainer shall maintain responsibility for the condition of the horse.

D. No person shall refuse to deliver a claimed horse.

Historical Note

Section R4-27-115.04 renumbered from R4-27-115(H), (H)(1), (2), (3) and (4), and (I) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.04 recodified from R4-2-115.04 (Supp. 95-1).

R19-2-115.05. Claiming Races: Irrevocability of Claim

Claimants shall not revoke their claims. Title to a claimed horse shall be vested in the successful claimant from the time the horse becomes a starting horse, and such claimant shall become the owner of the horse whether the horse is dead, unsound, or injured during or after the race. For purposes of the race in which a horse is claimed, the claimed horse shall run in the interest of and for the account of the owner for whom claimed.

Historical Note
Section R4-27-115.05 renumbered from R4-27-115(C)(10) and (11) and (E) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.05 recodified from R4-27-115.05 (Supp. 95-1).

R19-2-115.06. Claiming Races: Claimed Horse Racing and Ownership Restrictions

A. If a claimed horse is claimed from a winning race, it may not start in a claiming race for a period of 30 days from the day of the claim, for less than 25% more than the amount for which it was claimed. When a race is in dispute, both the horse finishing first and any horse claiming the race shall be liable to this penalty for 30 days from the date of the claim, unless decided beforehand.

B. If a horse is claimed:
1. It may not be sold or transferred to anyone wholly or in part, except in a claiming race, for a period of 30 days from the date of claim.
2. Unless reclaimed, the horse may not be returned to the same stable or under control or management of its former owner or trainer for a period of 30 days from the day of claim.
3. The horse may not race outside Arizona until the meeting at which it was claimed has closed or for a period of 60 days from the day of the claim, whichever is less, except to fulfill a stakes engagement transferring automatically to the new owner, or when the horse is entered and starts for a claiming price which would cause the horse to become ineligible to be reentered at the track where claimed.

C. All horses claimed in other states and racing here shall be subject to the conditions of the claiming restrictions in the state where the claim was made.

Historical Note
Section R4-27-115.06 renumbered from R4-27-115(J)(1), (2), (3), and (4) and (K) and amended effective September 8, 1992 (Supp. 92-3). Amended effective December 17, 1993 (Supp. 93-4). R19-2-115.06 recodified from R4-27-115.06 (Supp. 95-1).

R19-2-115.07. Claiming Races: Claiming Price and Determination of Winner of Claim

The claiming price of each horse in a claiming race shall be printed on the program, and all claims for the horse shall be for the amount so designated. If more than one claim is filed for the same horse, the disposition of the horse shall be determined by lots under the direction and supervision of one or more of the stewards or their designee.

Historical Note
Section R4-27-115.07 renumbered from R4-27-115(C)(9) and (D) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.07 recodified from R4-27-115.07 (Supp. 95-1).

R19-2-115.08. Claiming Races: Responsibility for Determining Sex of Horse

Notwithstanding any designation of sex appearing on the racing program or in any racing publication, the claimant of a horse shall be solely responsible for determining the sex of the horse claimed.

Historical Note
Section R4-27-115.08 adopted effective September 8, 1992 (Supp. 92-3). R19-2-115.08 recodified from R4-27-115.08 (Supp. 95-1).

R19-2-115.09. Claiming Races: Claiming Procedures

A. All claims shall be made in writing on a form provided by the permittee. The form shall be properly completed, signed and enclosed in an envelope also provided by the permittee. The envelope shall have no identification marking other than the number of the race for which the claim is being made, and the day, month and year of the race. The envelope shall be sealed and deposited in a time-locked claim box provided for this purpose by the permittee. Money shall not accompany the claim.

B. All claims shall be deposited in the claim box at least ten minutes before post time of the race on which the claim is made.

C. The stewards or their designee shall open the claim envelopes for each race when the horses for the race enter the track on the way from paddock to post. The stewards or their designee shall ascertain from the horsemen's bookkeeper whether the proper credit balance has been established with the permittee.

Historical Note
Section R4-27-115.09 renumbered from R4-27-115(C), (C)(2), (5), and (6) and amended effective September 8, 1992 (Supp. 92-3). R19-2-115.09 recodified from R4-27-115.09 (Supp. 95-1).

R19-2-115.10. Claiming Races: Disciplinary Action

A person violating any of the provisions of R19-2-115 through R19-2-115.09 shall be subject to discipline by the board of stewards, pursuant to Section R19-2-121(E).

Historical Note
Section R4-27-115.10 adopted effective September 8, 1992 (Supp. 92-3). R19-2-115.10 recodified from R4-27-115.10 (Supp. 95-1).

R19-2-116. Arizona Bred Eligibility and Breeders' Award Payments

A. A breeder shall file a notarized certificate affirming eligibility under A.R.S. § 5-113(F), with the Department. The certificate shall include name, color, and sex of the foal; name of the sire; name of the dam; date and location of foaling; The Jockey Club registration number or American Quarter Horse Association number; name, address, and telephone number of the breeder; a statement that the animal is eligible pursuant to A.R.S. § 5-113(F), and that the person shown as the breeder was the owner of the dam at the time of foaling; and such other information as may be required by the Department to determine eligibility and shall be signed by the breeder. The breeder shall submit a copy of The Jockey Club registration papers with certificates for thoroughbreds.
1. Certification is deemed to occur upon the Department's receipt of the completed certificate.
2. The horse shall be certified by the Department at the time of the win to be eligible for an award.

B. A permittee shall recognize any horse for which there is an Arizona Bred Certificate on file with the Department or an association contractor as an Arizona bred horse.

C. For races that offer a guaranteed purse value of $50,000 or less, the Department shall make an award based on the total amount earned by the winner, including nominating, sustaining, and starting fees. For races that offer a guaranteed purse value of more than $50,000, the Department shall not include nominating, sustaining, or starting fees when calculating an award.

D. The Department shall calculate and pay breeders' awards to eligible breeders.
1. Definitions
   a. "Quarterly Breeders' Award" means an amount of money based on the quarterly breeders' award pay-

ment factor determined by the Department each fiscal year by October 30.

b. "Substitute Breeders' Award" means an amount of money based on a substitute payment factor because of the lack of sufficient money to pay conventional Quarterly Breeders' Awards.

c. "Supplemental Breeders' Award" means an amount of money that corrects a shortfall between conventional Quarterly Breeders' Awards and Substitute Breeders' Awards.

d. "End-of-year Bonus Award" means an amount of money that may be paid to breeders from available monies that remain in the breeders' award fund after payment of Quarterly Breeders' Awards, Substitute Breeders' Awards and Supplemental Breeders' Awards.

2. The Department shall pay awards at the end of each fiscal year quarter, provided that the total amount of the awards payments does not exceed the total amount of money available in the fund less the amount required to be set aside for contingent liabilities in subsection (D)(8).

3. Quarterly Breeders' Awards. Before October 30 of each year, the Department shall determine a quarterly breeders' award payment factor that will be applied during the entire fiscal year. The payment factor determined by the Department is not subject to appeal.

a. The Department shall evaluate anticipated revenues for the breeders' award fund and anticipated purses for eligible Arizona-bred animals and set the payment factor at a level that permits recipients of quarterly breeders' awards to receive awards throughout the fiscal year based on the same payment factor.

b. The Department shall notify representatives of each breeders' association of the quarterly breeders' award payment factor in writing before October 30 of each year.

c. The Department shall calculate quarterly breeders' awards by multiplying the amount of each purse won by an eligible animal during that quarter by the quarterly breeders' award payment factor established for the fiscal year.

d. The Department shall make quarterly breeders' awards not later than 30 days after the end of each quarter, unless full quarterly breeders' awards cannot be made due to the lack of available money in the fund.

4. Substitute Breeders' Awards. The Department shall make substitute breeders' awards if there are sufficient monies in the fund to allow for an award but not enough monies to provide for full payments of quarterly breeders' awards based on the quarterly breeders' award payment factor.

a. The Department shall determine the substitute payment factor by dividing the total amount of monies in the Arizona breeders' award fund at the end of the quarter less the amount required to be set aside for contingent liabilities in subsection (D)(8) by the total amount of purses won by eligible Arizona-bred animals during that quarter.

b. The Department shall calculate substitute breeders' awards by multiplying the amount of each purse won by an eligible animal during that quarter by the substitute payment factor for that quarter.

5. End-of-year bonus pool. After payment of all quarterly breeders' awards and any substitute breeders' awards has been calculated, the Department shall determine the amount of monies remaining in the fund. The end-of-year-bonus pool is the amount of monies remaining in the Arizona breeders' award fund after the payment of all quarterly breeders' awards for the fiscal year less the amount required to be set aside for contingent liabilities in subsection (D)(8).

6. Supplemental Breeders Awards. The Department shall first pay any monies in the end-of-year bonus pool in the form of supplemental breeders awards to recipients of substitute breeders' awards.

a. The Department shall pay supplemental breeders' awards in an amount equal to the difference between the substitute breeders' award and the quarterly breeders' award the breeder would have received if there had been enough in the fund to pay an award based on the quarterly award payment factor.

b. In the event the end-of-year bonus pool cannot pay supplemental breeders' awards to make up for the shortfall to all substitute breeders' award recipients, the Department shall pay supplemental breeders' awards to all breeders eligible to receive a supplemental breeders' award on a pro-rata basis.

c. A breeder is eligible to receive a supplemental breeders' award from the end-of-year bonus pool only if the breeder received a substitute breeders' award during that fiscal year.

d. The Department shall not make supplemental breeders' awards if all eligible breeders received quarterly breeders' awards during the fiscal year.

7. End-of-year Bonus Awards. The Department shall pay end-of-year bonus awards if monies remain in the end-of-year bonus pool following any supplemental payments.

a. The Department shall determine an end-of-year bonus payment factor by dividing the monies in the end-of-year bonus pool by the total amount of purses won by an eligible animal during the fiscal year.

b. The Department shall calculate end-of-year bonus awards by multiplying the amount of each purse won by an eligible animal by the bonus payment factor.

8. Contingent liabilities. The Department shall retain $10,000 in the Breeders' Award fund for contingent liabilities.

9. The Department shall not make quarterly breeders' awards, substitute breeders' awards, supplemental breeders' awards or end-of-year bonus breeders' awards if the total amount available for distribution is less than $10,000. In the event the Department does not pay an award because less than $10,000 is available for distribution, the Department shall carry forward the amount in the fund for payment of awards when the Department next calculates awards.

10. Appeal of Director's Rulings

a. The Director shall make the final decision concerning a breeders' award.

b. The Department shall give written notice of the decision to an applicant by mailing it to the address of record filed with the Department.

c. After service of the Director's decision, an aggrieved party may obtain a hearing under A.R.S. §§ 41-1092.03 through 41-1092.11.

d. The aggrieved party shall file a notice of appeal with the Department within 30 days after receiving the notice prescribed in R19-2-116(D)(10)(b).

e. The Department shall notify the Office of Administrative Hearings, which shall schedule and conduct the hearing.

E. The permittees shall submit to the Department an Arizona Breeders' Award Report in the form prescribed by the Department. The report shall include name of the animal, name of the breeder, date of win, win purse amount, type of race, name of track, and such other information as may be required by the Department to calculate awards.

F. The Arizona Thoroughbred Breeder's Association, Arizona Quarter Racing Association, Arizona Greyhound Breeder's Association, and such other associations as may represent breeders in this state may assist the Department in periodic reviews of eligibility lists and may provide such other assistance in administering the fund as may be required by the Department.

G. At least every other 3 years the Commission shall select a committee, consisting of representatives of each breeders' association and the Department, which shall review this rule and submit written recommendations to the Commission.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsection (A) effective December 5, 1985 (Supp. 85-6). Amended subsection (A) and added subsections (D) through (G) effective August 13, 1986 (Supp. 86-4). Amended subsection (D) effective February 19, 1987 (Supp. 87-1). Amended effective March 20, 1990 (Supp. 90-1). R19-2-116 recodified from R4-27-116 (Supp. 95-1). Amended effective January 10, 1997 (Supp. 97-1). Amended effective June 3, 1997 (Supp. 97-2).

R19-2-117. Objections

A. Every objection shall be made by an owner or by such owner's authorized agent, a trainer, or the jockey of some other horse engaged in the same race, or by the officials of the course. Such objection shall be made to the stewards, who may require that the objection be made in writing with a copy thereof sent immediately to the Director.

1. Any objection to a horse, pertaining to any matter occurring in a race, except as otherwise provided, shall be made before the official numbers of the horse's place in the race are posted on the odds board.
2. Any objection to a horse that has run in a race on the grounds that it was not trained by a licensed trainer, or ridden by a licensed jockey, or that the names of all those having ownership in it or an interest in its winnings have not been registered with the secretary shall be made not later than the day after that upon which the race was run.
3. Any objection on the grounds of fraudulent or intentional misstatement or omission in the entry under which a horse has run, or on the grounds that the horse which ran was not the horse it was represented to be in the entry or at the time of the race, or was not of the age it was represented to be shall be received within three days after the race.

B. Every objection, unless otherwise provided, shall be made within 72 hours after the race is run and shall be determined by the stewards.

C. Pending the determination of an objection, any money or prize which the horse objected to may have won, or may win in the race, shall be withheld until the objection is determined, and any sum payable to the owner of the horse objected to shall be paid to the horsemen's book keeper and held for the person who may be determined to be entitled to it.

D. Pending the disposition by the stewards, Department, or Commission of any question, both the horse which finished first and any horse which has claimed to be the winner of the race shall be liable to all the penalties attaching to the winner of that race until the matter is decided.

E. If an objection to a horse which has won or been placed in a race is declared valid, that horse may be disqualified in the place in which he finished and replaced at the discretion of the stewards.

F. The stewards shall have the power at any time, whether or not an objection has been made, to order an examination by such person or persons as they deem fit as to the age of any horse entered for a race, or which has run a race and shall withhold any money the horse may have won until such examination is made. If the horse is declared of wrong age, the expense of such examination shall be paid by the owner.

G. No person shall lodge an unsubstantiated objection with the stewards.

H. The stewards may require a cash deposit of $200 to cover costs and expenses in determining an objection. The deposit posted herein may be forfeited if the objection should prove to be without foundation.

I. Every objection which is not decided by the stewards during the meeting shall be filed in writing with the Director.

J. Permission of the stewards shall be necessary before an objection may be withdrawn.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). Section number corrected (Supp. 93-1). R19-2-117 recodified from R4-27-117 (Supp. 95-1).

R19-2-118. Scale of Weights for Age

Generally:

1. For thoroughbreds in races exclusively for three-year-olds and up, the weight is 118 to 124 pounds; for two-year-olds, the weight is 117 to 120 pounds.
2. For quarter horses in races exclusively for three-year-olds or four-year-olds, the weight is 126 pounds; and in races exclusively for two-year-olds, it is 120 to 122 pounds.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). Section number corrected (Supp. 93-1). R19-2-118 recodified from R4-27-118 (Supp. 95-1).

R19-2-119. Rules of the Race and Winnings

A. Generally

1. All track rules shall be posted conspicuously and a copy of said rules shall be filed with the Department.
2. All races shall be off at a regular interval. Post times shall be based upon the number of races run daily. The intervals shall be set by the permittee with the approval of the stewards.
3. No purse monies earned by a horse shall be paid to anyone except the horse's registered owners or their authorized agents.
4. In a stakes race which is a walkover, unless otherwise specified in the conditions, the entry which appears for the race may walk over the course and be declared the winner. Such a winner shall be entitled to the entire stakes and to the winning percentage of the purse.

B. Pre-race activity

1. The number on the saddle cloth of a horse shall correspond with its number on the daily program.
2. All horses shall parade and shall carry their weight from the paddock to the starting post.
3. If a horse is led to the post with permission of the paddock judge, it carries its weight and shall pass the stewards' stand on its way to the post.

4. After the horses are ordered to the starting post and until the stewards direct the track gates to be reopened, all persons except licensees designated by the stewards shall be excluded from the track.
5. After the horses have entered the track, not more than 12 minutes shall elapse during the parade of the horses to the post, except with the approval of the stewards.
6. After passing the stand once, the horses will be allowed to break formation, canter, warm up, or move in any other manner until they are within 100 yards of the post.

C. Races

1. All races shall be started by a starting gate approved by the Department.
   a. A race may be started without a stall gate or a gate with the doors open may be used in case of necessity and with the permission of the stewards.
   b. If a race is started without a stall gate, there shall be no start until, and no recall after, a starter's assistant has dropped his flag in response to the order of the official starter.
2. In the event of unavoidable delay in the starting of a race, the starter shall instruct the riders to dismount and to lead their horses.
3. When a horse, during the post parade, is deemed unfit to start or is injured by an accident in the gate, it may be excused by the stewards. Such a horse shall not be considered to have started in the race.
4. When a horse misbehaves in the gate and thereby unduly delays the start of a race, it may be excused by the starter and the stewards. Such a horse shall not be considered to have started in the race, but it shall be penalized by being put on the schooling list. Its entry in future races will be refused for a period of time to be determined by the starter, with the approval of the stewards.
5. No race shall be run when it is so dark that the horses cannot be plainly seen from the stand by the judges or stewards.
6. Every horse in a race is entitled to racing room and shall not be deliberately pocketed and, in a straightaway race, each horse shall maintain the position in the lane in which it starts as nearly as possible.
7. If a horse is ridden or drifts out of its lane in such a manner that it interferes with or impedes another horse in any way, a foul has been committed. The offending horse may be disqualified if the outcome of the race is affected by the foul and replaced at the discretion of the stewards in a manner as to correct the effect of the interference as nearly as possible. The provisions of this paragraph shall apply to fouls caused by the horse or the jockey and fouls caused either carelessly or purposefully.
   a. In the event of disqualification of any part of an entry, it shall be at the discretion of the stewards as to whether such disqualification shall extend to all or any part of the entry.
   b. If the stewards rule that the foul referred to in subsection (C)(7) of this Section was caused by the horse, despite the obvious efforts of the jockey to maintain position in its lane, the jockey shall not be penalized.
   c. If the stewards rule that the foul referred to in subsection (C)(7) of this Section was caused by the jockey's failing to attempt to prevent the foul or willfully riding the horse out of its lane, the jockey shall be penalized.
8. In a race run around a turn, a horse which is in the clear may be taken to any part of the track. Weaving back and forth in front of another horse may be considered interference or intimidation and may be penalized.
9. A jockey shall not cause such jockey's horse to shorten stride with a view to complaint. If the stewards decide that an intentional foul was committed in the riding of a race or that any jockey was instructed or induced to ride in such a manner, all persons guilty of complicity shall be suspended.
10. When a horse is disqualified by the stewards under these rules, every horse in the race belonging wholly or in part to the same owner, or under the management of the same trainer, may be disqualified and replaced upon a finding of good cause by the stewards.
11. A horse shall be ridden across the finish line carrying its assigned weight in order to participate in the purse distribution of the race unless the nomination blank states otherwise.
12. No whip shall be carried on any two-year-old in a race on the straightaway before March 1st. After March 1st, following satisfactory performance out of the gate with a whip and with the approval of the starter, a whip may be carried in such a race.
13. No owner, trainer, handler, or jockey shall attempt to prevent his horse from running its best and winning.

D. Dead heats

1. When a race results in a dead heat, the heat shall not be run off.
2. If a race results in a dead heat, all prizes to which the horses finishing in the dead heat would have been entitled shall be divided equally between them.
3. When a dead heat is run for second place, and an objection is made and sustained to the winner of the race, the horses which ran the dead heat shall be deemed to have run a dead heat for first place.
4. If the dividing owners cannot agree as to which of them is to have a cup or other prize which cannot be divided, the question shall be determined by lot by the permittee.
5. Each horse that runs a dead heat for a race or place shall be deemed a winner of that race or place and shall be liable as such winner for any penalty or disability attaching to the same.

E. Winnings or wins

1. Winnings shall include all prizes and wins up to the time appointed for the start and shall apply to all races in any country; provided that in county fair race meets not having an "also-eligible" list, winnings shall include all prizes and wins up to the time of entry. Maiden races at County Fair Race Meets shall be an exception to this rule.
2. Winnings shall include walking over or receiving forfeit but shall not include second and third money or the value of any prize not of money or not paid in money.
3. Winnings during the year shall be computed from the preceding January 1.
4. Winner of a certain sum shall mean winner of a single race of that value unless otherwise expressed in the conditions.
5. In estimating the net value of a race to the winner, all sums contributed by its owner or nominator shall be deducted from the amount won.
6. Winners or losers of steeplechases, hurdle races, thoroughbred races, or mixed quarter horse races shall be considered winners or losers on the flat, and winners or losers on the flat shall be considered winners or losers of steeplechases, hurdle races, thoroughbred races, or mixed quarter horse races.

Historical Note
Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). Section number corrected (Supp. 93-1). R19-2-119 recodified from R4-27-119 (Supp. 95-1).

R19-2-120. Repealed

Historical Note
Adopted effective August 5, 1983 (Supp. 83-4). Amended by adding subsection (O) effective November 23, 1983 (Supp. 83-6). Amended by adding subsection (P) effective January 24, 1985 (Supp. 85-1). Amended by adding subsections (Q) and (R) effective September 24, 1986 (Supp. 86-5). Amended by adding subsections (S), (T), (U) and (V) effective February 19, 1987 (Supp. 87-1). Amended by adding subsections (W) and (X) effective October 14, 1988 (Supp. 88-4). Repealed effective March 20, 1990 (Supp. 90-1). R19-2-120 recodified from R4-27-120 (Supp. 95-1).

R19-2-121. Officials

A. Generally
1. The term "track official" means the following persons employed by the permittee and approved and licensed by the Department: Director of Racing, 1 steward, mutuel manager, patrol judges, clerk of the scales, starter, timer, paddock judge, track veterinarian, track superintendent, racing secretary, assistant racing secretary, handicapper, horsemen's bookkeeper, jockey room custodian, and chief of security.
2. The term "Department official" means the following persons appointed by the Department: 2 stewards, state mutuel supervisor, Department veterinarian, identifier, and investigator. Certain "track officials" may be appointed by the Department for the county fair race meets.
3. One person may serve in more than 1 official position if the person can do so without detriment to any of the other positions, and if the person has the consent and approval of the Department; provided that neither the racing secretary nor the permittee director of racing may serve as a steward.
4. In all rulings by the stewards, a majority of the stewards is deemed to be controlling.
5. Vacancies
   a. When a vacancy occurs among officials other than stewards, the stewards shall fill the vacancy prior to post time of the 1st race of the day or when the vacancy occurs. The appointment is effective only for the day unless the permittee fails to fill the vacancy on the following day and has notified the stewards of its action not less than 1 hour before the post time of the 1st race of the following day. An appointment shall be reported promptly to the Department.
   b. Three stewards shall view the running of a race. If a vacancy occurs among the stewards, the stewards present shall appoint 1 or 2 persons to serve as temporary stewards. The stewards making the appointment under this subsection shall report it in writing to the Department.
   c. In case of emergency, the stewards may appoint a substitute to fill a vacancy for that emergency only.
6. The Department shall not license minors as officials.
7. A person interested in the result of a race because of an ownership interest in any entered horse, bets, or otherwise shall not act as an official at the meeting.

B. Prohibited acts
1. An official or an official's assistant shall not purchase mutuel tickets on races.
2. An official or an official's assistant shall not consume alcoholic beverages while on duty.
3. An official shall not accept, directly or indirectly, a bribe, gift, or other form of gratuity which is intended to or might influence the results of a race or the conduct of a racing meeting.
4. An official or employee shall not write or solicit horse insurance at a racing meeting.
5. An official or employee at the meeting shall not buy or sell a contract upon a jockey or apprentice jockey for an official or employee or for another, either directly or indirectly.

C. Each official and employee shall report all observed violations of these rules to the stewards.

D. Complaints
1. A person with a grievance or complaint against a track official, an employee of the permittee, or a licensee shall submit it in writing to the stewards within 5 days of the alleged objectionable act or behavior. The stewards shall consider the matter, take appropriate action, and make a full report of their action to the Department.
2. A person with a grievance or complaint against an official or employee of the Department shall report it in writing to the Deputy Director of the Department within 5 days of the alleged objectionable act or behavior.
3. The Department reserves the right to demand a change of any official or employee for failure to comply with state rules.

E. Stewards
1. Two stewards appointed by the Director, and 1 steward appointed by the permittee and licensed by the Director, shall supervise each racing meeting.
   a. Stewards' duties include being in attendance at the office of the racing secretary or on the grounds of the permittee on any day in which entries are being taken or racing is being conducted and representing the Department in all matters pertaining to the interpretation of the rules adopted by the Department.
   b. The stewards shall advise the Director of all hearings and rulings made.
   c. If a steward is unable to perform the steward's duties for more than 1 day, the steward shall immediately notify the Director of that fact so that an alternate steward may be named to act in the steward's place.
2. The stewards shall enforce the rules and statutes of the state of Arizona.
3. The stewards shall have the power to interpret the rules and to decide all questions not specifically covered by the rules. In all interpretations and decisions, the orders of the stewards supersede the orders of the permittee.
   a. The stewards shall have control over and shall have free access to all stands, weighing rooms, enclosures, and all other places within the grounds of the permittee.
   b. The stewards shall investigate and render a decision promptly on each objection properly made to them pursuant to R19-2-117 of these rules. A majority of the stewards shall sign each ruling.
   c. The stewards shall supervise all entries and declarations. They may refuse entries or the transfer of entries for violations of state rules or statutes.

d. The stewards shall regulate and control the conduct of officials and other persons attending or participating in a racing meeting.
e. The stewards shall have the right to: authorize a person or persons to enter into or upon and examine the buildings, stables, rooms, motor vehicles, trailers, or other places within the grounds of a licensed race track; inspect and examine the person, personal property, and effects of any person within the grounds; and seize any items prohibited under R19-2-112(5) and (6) or any other illegal article.
f. Pursuant to subsection (E)(6) of this Section, the stewards may impose a civil penalty in an amount not exceeding $500 on any person subject to their control for violation of these rules. After a hearing, the stewards may suspend a person violating any of these rules for up to 60 days and may rule off licensees violating any of these rules. The stewards may impose both a civil penalty and suspension for the same violation. The stewards may refer any ruling made by them to the Director, recommending further action, including license revocation.
g. In all cases where laboratory reports or other evidence show the administration or presence of a foreign substance, the stewards shall immediately investigate the matter and may disqualify the horse, suspend the trainer or other person or persons involved, refer the matter to the Director, and impose a fine.
h. Every person or entry expelled or ruled off by any recognized turf authority for corrupt or fraudulent or improper practice or conduct is ruled off wherever these rules have force.
i. When a person has been suspended, the stewards shall rule off or expel every horse wholly or partly owned by the person so long as the person's suspension continues. The person is not qualified, whether acting as agent or otherwise, to subscribe for, enter, or run a horse in any race, in either the person's own name or that of another person. The stewards shall disqualify a horse if it is wholly or partly owned by the person or under the person's care, management, training, or supervision, or the person has an interest in the horse's winnings. At the time it is discovered, the stewards shall void an entry from a person or of a horse that stands ruled off or expelled. The person shall forfeit the entry or subscription money and shall return the money or prize won.

4. The stewards may excuse a horse that has left the paddock for the post if they consider that horse to be crippled, disabled, or unfit to run. In claiming races, if there is a claim entered on a horse so excused, the claim is invalid.
5. The stewards shall determine the finish of a race by the relative position of the noses of each horse. They shall immediately notify the pari-mutuel department of the numbers of the 1st 4 horses.
   a. The stewards shall promptly display the numbers of the 1st 3 horses in each race in the order that they finished. If the stewards differ as to their order, the majority shall prevail.
   b. The stewards may review the photo-finish picture provided by the permittee, to aid them in determining the finish of a race.
      i. In any instance where the pictures furnished are not adequate or usable, the stewards shall make the final decision.
      ii. If the stewards consider it advisable to review the photo-finish picture, the stewards may post such placements as are in their opinions unquestionable without waiting for a picture. After reviewing the picture, they may make the other placements. The stewards shall not declare the race official until they have determined which horses finished 1st, 2nd, and 3rd.
   c. The stewards shall correct an error before the display of the sign "official" or recall the sign "official" if it has been displayed through error.
6. The stewards shall adhere to the following procedure when they have reason to believe that a rule has been violated by any person:
   a. The stewards shall summon the person to a hearing with all the stewards present.
   b. The stewards shall give 24-hours' notice of the hearing to the person, in writing, on a form supplied by the Department. The stewards shall time and date the notice, and the person notified shall sign it. The stewards shall retain the original and include it as part of the case file. The stewards shall give a copy to the person summoned.
   c. The stewards shall not impose a penalty until the hearing.
   d. The stewards shall construe nonappearance of the summoned party as a waiver of the right to a hearing before the stewards.
   e. The stewards shall permit the person summoned to present witnesses on the person's own behalf.
   f. The stewards shall take appropriate action, including suspension or civil penalty or both, if there is substantial evidence to find a violation of these rules. The stewards shall promptly forward their written decision or ruling to the Director and to the party in question.
   g. In the interest of the health, safety, and welfare of the people of the state of Arizona, the stewards may summarily declare a horse scratched and may suspend a license pending a stewards' hearing.
   h. The stewards shall recover and forward to the Department any license they suspend.
   i. A majority vote of the stewards shall determine all matters within their jurisdiction.
   j. The stewards shall have the power to modify, change, or remit any ruling imposed by them.
   k. The licensee shall promptly pay to the Department any civil penalty imposed by the stewards for deposit with the state treasurer.
7. During the term of suspension of an owner, trainer, or other person on a track under the jurisdiction of the Department, the stewards and the permittee shall ensure that a ruling against the offender is enforced.

F. Racing secretary
1. The duties of the racing secretary include:
   a. Reporting to the stewards all violations of these rules or of the regulations of the permittee which come to the racing secretary's attention.
   b. Keeping a complete record of all races.
2. The racing secretary or authorized representative shall inspect all papers and documents dealing with owners and trainers, partnership agreements, appointments of authorized agents, and adoption of stable names. The rac-

ing secretary may demand production of such documents and papers in order to verify their validity and authenticity and to ensure that the rules have been followed.

3. The racing secretary shall write the conditions of all races and shall publish them sufficiently before closing time for entries. The racing secretary shall not alter the conditions after the time set for closing.
   a. The racing secretary shall not write races that conflict with racing rules.
   b. The racing secretary shall include or post a list of eligible horses in the conditions prior to the time of entry for every graded quarter-horse race. The racing secretary shall not add a horse to this list after entering has begun without the consent of those who have entered eligible horses.
4. The racing secretary shall act as the official handicapper in all races.
   a. The racing secretary shall assign weight to each nominee.
   b. The racing secretary shall post the weights in handicaps before 10:30 a.m. on the day set for publication.
5. The racing secretary shall determine the character and condition of substitute and extra races, subject to the stewards' approval.
   a. If a stakes or overnight handicap does not fill, it may be replaced by another overnight race carrying a guaranteed purse consistent with the daily average purse.
   b. If a race is canceled or declared off, the racing secretary may split any race programmed for the same day and which previously may have been closed.
   c. The racing secretary shall give preference to races printed in the condition book over substitute and extra races.
6. The racing secretary or the racing secretary's designee shall conduct the drawing of all races and immediately post an overnight listing of the horses in each race.
7. The office of the racing secretary shall keep the preferred list of all horses.
8. The racing secretary shall not allow any horse to start in a race unless the horse is entered in the name of the legal owner and unless the owner's name appears on the back of the registration papers or on a legal lease or bill of sale attached to the registration papers.

G. Assistant racing secretary. The assistant racing secretary shall assist the racing secretary in the performance of the racing secretary's duties, under the racing secretary's supervision.

H. Starter
1. The starter has:
   a. Complete jurisdiction over the starting of any field of horses.
   b. Authority to give orders necessary to ensure a fair start.
   c. Authority to recommend to the stewards the fining or suspension of any person violating the starter's orders.
2. The starter may place a horse on a schooling list. The racing secretary shall not accept an entry on a horse until it has been removed from the schooling list by the starter.
3. The starter may recommend to the stewards that a horse which is unmanageable at the starting gate or which refuses to break properly, after a reasonable schooling period, be suspended.

I. Starter's assistant
1. The starter's assistant may help horses into the starting gate.
2. The starter's assistant may handle or otherwise restrain unruly or fractious horses before the start.

J. Clerk of the scales
1. The duties of the clerk of the scales include:
   a. Weighing all jockeys out and in.
   b. Posting all overweights promptly after weighing.
   c. Notifying a trainer that the trainer's jockey is overweight.
   d. Reporting all late scratches, changes in riders, overweights, and corrected weights for posting on a bulletin board located in a place conspicuous to the wagering public.
   e. Recording winning records of jockeys with apprentice certificates and attesting to the date and track on each line as provided on the jockey's apprentice certificate.
2. A jockey shall not pass the scale more than 7 pounds overweight without the consent of the stewards.
3. A jockey shall not be more than 1 pound short at weigh in.
4. The clerk of the scales shall report to the stewards any violations of weight rules or any attempt to alter specified weights.

K. Paddock judge
1. The duties of the paddock judge include:
   a. Checking all contestants for each race.
   b. Keeping a record of all equipment carried by the horses in each race under the paddock judge's jurisdiction.
   c. Permitting no change of equipment unless the change is approved by the stewards.
2. Only the owner or trainer of a horse, or the employees of each, shall touch a horse in the paddock without the permission of the paddock judge.
3. The paddock judge shall report any irregularities to the stewards.

L. Patrol judges
1. The duties of the patrol judges include:
   a. Viewing that portion of the track allotted to them.
   b. Reporting to the stewards any irregular incident occurring during a race.
2. The stewards may require patrol judges to submit written reports on each race.
3. The number of patrol judges in use at a track may vary with the size of the track and with the need to ensure clean racing.

M. Timers
1. Timers shall accurately record the time of each race.
2. Timers shall accurately record the fractional times of each race if required for the Daily Racing Form Chart.
3. The timers shall use an electrical timing device approved by the Department in all races restricted to quarter horses.

N. Jockey room custodian
1. The duties of the jockey room custodian include:
   a. Maintaining the jockey room in proper order as a restricted area.
   b. Seeing that jockeys conduct themselves in accordance with the rules of racing.
   c. Seeing that jockeys are on time for their races.
   d. Supervising the valets employed to assist the jockeys.
   e. Assisting the clerk of scales to ensure jockeys have proper equipment and carry the correct weight.

2. The jockey room custodian shall report immediately to the stewards any colors not in the jockey room custodian's possession for a given day's racing.

O. Horsemen's bookkeeper
1. The horsemen's bookkeeper shall receive all stakes, forfeits, entrance monies, fees (including jockey fees), and purchase money in claiming races.
2. The horsemen's bookkeeper shall pay all money on deposit to the persons entitled to it within 14 days after the close of the meeting.
3. The horsemen's bookkeeper shall be bonded in an amount determined by the Director.
4. The horsemen's bookkeeper shall segregate and hold as trust funds all fees paid in added money events, early closing events, stakes, and futurities until the event is contested. The horsemen's bookkeeper shall submit proof of segregation by bank letter or bank statement to the Department through its authorized representative.
5. The horsemen's bookkeeper shall not pay purse money earned by a horse to anyone except its registered owners or their authorized agent. The Department shall determine when purse monies are released, based on results of laboratory analysis.
6. In the event of an objection or positive sample and upon notification by the stewards, the horsemen's bookkeeper shall hold the purse monies until released by the Department.

P. Veterinarians
1. The Department shall approve 2 official veterinarians, licensed to practice veterinary medicine by the state of Arizona. The permittee shall employ 1 of the official veterinarians, and the Department shall employ the other official veterinarian.
2. The Department veterinarian shall be in charge of all sample collection.
3. An official veterinarian shall inspect each horse in the receiving barn or paddock and shall recommend to the stewards the scratching of any horse the veterinarian finds to be unsafe to race or physically unfit to produce a satisfactory result in a race.
4. The track veterinarian shall examine all horses prior to a race.
5. Either the Department veterinarian or the track veterinarian shall place any horse deemed to be unsafe, unsound, or unfit on a suspension list approved by the stewards.
6. The racing secretary may accept the entry of a horse on the veterinarian's list only after approval by the track and Department veterinarian and if 3 calendar days have elapsed since the horse was placed on the veterinarian's list.
7. Every veterinarian licensed by the Department shall keep a written record of the veterinarian's practice on the grounds of a permittee relating to horses participating in racing.
   a. This record includes:
      i. The name of the horse treated,
      ii. The nature of the horse's ailment,
      iii. The type of treatment prescribed and performed for the horses,
      iv. The date and time of the treatment.
   b. Veterinarians shall keep this record for practice engaged in at all licensed tracks.
   c. A veterinarian shall produce this record without delay upon request of the stewards or the Department.
   d. Veterinarians engaged in private practice on tracks under the jurisdiction of the Department shall be licensed by the Arizona State Board of Veterinarian Medical Examiners and the Department.
   e. Only veterinarians licensed by the Department shall administer to or prescribe for horses on the premises of any permittee except in case of emergency (R19-2-112(A)(11)(b)).
   f. The Department, acting on the recommendation of the Department veterinarian, shall evaluate all new and experimental medications and drugs and determine whether the medications and drugs may be used on the grounds.
8. If an official veterinarian determines that an injured horse should be destroyed, the official veterinarian shall destroy the horse quickly, humanely, and out of sight of the public unless any delay will prolong the suffering of the horse.

Q. Horse identifier
1. The horse identifier or designee shall examine all horses registered for racing at tracks under the jurisdiction of the Department.
2. The horse identifier shall ensure that all horses starting at any track in the state of Arizona are tattooed unless otherwise authorized by the stewards.
3. The horse identifier may make photographs or permanent identification records for horses referred to in subsection (Q)(1) of this Section. The horse identifier shall include the tattoo number, markings, cowlicks, dimples, and other characteristics of each horse on its identification record.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsections (A) and (D) effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-121 recodified from R4-27-121 (Supp. 95-1). Amended effective September 14, 1995 (Supp. 95-3). Amended effective January 12, 1996 (Supp. 96-1). Amended effective August 7, 1996 (Supp. 96-3). Spelling correction made in subsection (1) "permitee" changed to "permittee" to reflect rules on file with the Office of the Secretary of State (Supp. 98-3).

R19-2-122. Transfers

A. Any change in the ownership or lease of a horse registered with the racing secretary must be effected by a bill of sale or lease agreement.
1. A copy of the bill of sale or lease agreement shall be filed in the track office of the Department and with the racing secretary.
2. The stewards shall be advised of any change in the ownership or trainer transfer of a horse registered with the racing secretary.
3. A horse shall not be transferred to a new trainer after entry.
4. More than one owner may be indicated on the program by the use of the name of one owner and the phrase "et al."

B. If a horse is sold with all its engagements or any part of them, the seller shall not strike it from such engagements.
1. In all private sales, the written acknowledgment of both parties that the horse was sold with all, or part of, its engagements is necessary to entitle the seller or buyer to the benefit of this rule. If certain engagements are specified, only those engagements so specified shall be sold with the horse.

2. In all public auctions, the advertised conditions of the sale are sufficient evidence of sale with all engagements. If certain engagements are specified, only those engagements so specified shall be sold with the horse.
3. If a horse is transferred with its engagements, that horse shall not be eligible to start in any stakes race unless, at the time of the running of the stakes or prior thereto, the transfer of the horse and its engagements is exhibited upon demand to the racing secretary.
4. No transfer of a horse or an engagement shall be made for the purpose of avoiding disqualification.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-122 recodified from R4-27-122 (Supp. 95-1).

R19-2-123. Procedure before the Department

A. Appeal of stewards' rulings and referrals
1. Any person or persons aggrieved by a ruling of the stewards may appeal to the Director. Such an appeal shall be filed in writing in the office of the Director within three days of the receipt of the steward's ruling.
2. The failure of the stewards to convene a hearing within ten days after an objection is made shall be deemed a denial by the stewards and may be appealed by filing a written appeal in the office of the Director within ten days from the date the objection was denied.
3. The appeal shall be signed by the person making said request or by such person's attorney and shall set forth such person's grounds for appeal and reasons for believing such person is entitled to a hearing.
4. A person filing an appeal of a ruling may be required by the Director or the Commission to furnish a bond in the amount equal to an assessed fine and an additional $200 to cover the costs, which may be forfeited should the appeal be denied.
5. The stewards may refer any ruling made by them to the Director, recommending further action, including the revocation of a license suspended by the stewards. Upon receipt of such referrals, the Director shall review the record and may affirm, reverse, or modify the stewards' ruling or conduct such other proceedings as the Director may deem appropriate.
6. Upon the filing of a referral in the manner set forth above, the Director may fix a time and place for a hearing and shall give written notice of the hearing at least 20 days prior to the date set for the hearing, unless waived by the appellant.
7. Nothing contained in this Section shall affect the distribution of the pari-mutuel pools.
8. In case of an appeal or protest, the purse money affected shall be retained by the permittee subject to order of the Director.

B. License denial, suspension, or revocation
1. The Director may deny a license application without prior notice to the applicant. However, if the applicant files an appeal with the Director within 20 days of the receipt of the denial, the Director may fix a time and place for a hearing on the matter and shall give written notice of the hearing at least 20 days prior to the date set for the hearing, unless waived by the applicant.
2. The Director may revoke or, independently of the stewards, suspend a license only after notice and opportunity for hearing. Notice of the hearing shall be given in writing at least 20 days prior to the date set for hearing, unless waived by the applicant.

C. Contested cases
1. All parties appearing before the Director or the Director's designee shall be afforded an opportunity to a hearing and the opportunity to respond and present evidence and argument on all issues.
2. Any party appearing before the Director or the Director's designee shall have the right to appear in person, or by counsel, except that a corporation may appear only through counsel. Any party may submit such party's case in writing. Failure of a party to appear for a hearing shall leave the Director free to act upon the evidence at hand without further notice to the parties. Proceedings may be reopened by the Director upon written petition of any party to the proceedings.

D. Hearing officer. If the Director assigns a matter to a hearing officer, the hearing officer shall submit to the Director within 15 days after the conclusion of the hearing a written decision which shall include proposed findings of fact, conclusions of law and order. The decision of the hearing officer may be approved or modified by the Director. The decision of the hearing officer becomes the decision of the Director unless modified by the Director within 45 days.

E. Depositions
1. When any party desires to take the oral deposition of any witness residing outside the state or otherwise unavailable as a witness, such party shall file with the Director a petition for permission to take the deposition of such witness, showing the name and address of such witness and setting forth specifically and in detail the nature and substance of the testimony expected to be given by such witness. The application shall be granted if it appears from such petition that the witness resides outside the state or is otherwise unavailable and that the testimony of such witness is relevant and material. If such statement is not made specifically and in detail, so that the Director may determine therefrom the relevancy and materiality of the testimony of such witness, such petition may be denied.
2. The Director may, at the Director's discretion, designate the time and place and office at which such a deposition may be taken. The expense of any deposition shall be borne by the party applying to the Director for permission to take same.
3. Any deposition taken under this subsection shall be returned and filed with the Director within 30 days after permission for taking same is granted.

F. Service
1. Service of any decision, order, or other process may be made in person or by mail. Service by mail shall be made by enclosing the same or a copy thereof in a sealed envelope and depositing the same in the United States mail, postage prepaid, addressed to the party served, at the address as shown by the records of the Department.
2. The time periods prescribed or allowed by these rules, by order of the Department or by an applicable statute, shall be computed as provided in the Arizona Rules of Civil Procedure.
3. Service upon an attorney who has appeared on behalf of a party shall constitute service upon such party, except that papers required to be served upon the Director or Commission shall in all cases be filed in the office of the Department with a copy served on the Attorney General.
4. Proof of service may be made by the affidavit or oral testimony of the person making such service.

G. Rehearing, review, or appeal
1. Except as provided in paragraph (7) of this subsection, any party in a contested case before the Director who is

aggrieved by a decision rendered in such case may file with the Director, not later than ten days after service of the decision, a written motion for rehearing or review of the decision specifying the particular grounds therefor. For purposes of this paragraph, a decision shall be deemed to have been served when personally delivered or mailed to the party at such party's last known residence or place of business.

2. The motion for rehearing may be amended at any time before it is ruled upon by the Director. A response may be filed within ten days after service of such motion or amended motion by any other party. The Director may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.
3. A rehearing or review of the decision may be granted for any of the following causes materially affecting the moving party's rights:
   a. Irregularity in the administrative proceedings of the hearing officer or Director or the prevailing party, or any order or abuse of discretion, whereby the moving party was deprived of a fair hearing.
   b. Misconduct of the hearing officer, Director, or the prevailing party.
   c. Accident or surprise which could not have been prevented by ordinary prudence.
   d. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing.
   e. Excessive or insufficient penalties.
   f. Error in the admission or rejection of evidence or other errors of law occurring at the administrative hearing.
   g. The decision is not justified by the evidence or is contrary to law.
4. The Director may affirm or modify the decision or grant a rehearing to all or any of the parties and on all or part of the issues for any of the reasons set forth in paragraph (3) of this subsection. An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.
5. Not later than ten days after a decision is rendered, the Director may, on the Director's own initiative, order a rehearing or review of the Director's decision for any reason for which the Director might have granted a rehearing on motion of a party. After giving the parties or their counsel notice and an opportunity to be heard on the matter, the Director may grant a motion for rehearing for a reason not stated in the motion. In either case, the order granting such a rehearing shall specify the grounds therefor.
6. When a motion for rehearing is based upon affidavits they shall be served with the motion. An opposing party may, within ten days after such service, serve opposing affidavits, which period may be extended for an additional period not exceeding 20 days by the Director for good cause shown or by written stipulation of the parties. Reply affidavits may be permitted.
7. If in a particular decision it is necessary for the immediate preservation of the public peace, health, and safety and if a rehearing or review of the decision is impracticable, unnecessary, or contrary to the public interest, the decision may be issued as a final decision without an opportunity for a rehearing or review.
8. For purposes of this subsection the terms "contested case" and "party" shall be defined as provided in A.R.S. § 41-1001.
9. To the extent that the provisions of this rule are in conflict with the provisions of any statute providing for rehearing of decisions of the Director, such statutory provisions shall govern.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-123 recodified from R4-27-123 (Supp. 95-1).

R19-2-124. Procedure before the Commission

A. Appeal of Director's rulings
1. Any person or persons aggrieved by a ruling of the Director may appeal to the Commission. Such an appeal shall be filed in writing in the office of the Commission within 15 days after service of the Director's ruling.
2. The appeal shall be signed by the person making said request or by his attorney and shall set forth with specificity such person's grounds for appeal and reasons for believing such person is entitled to a hearing.
3. Upon the filing of an appeal set forth above, the Commission shall review the record and may affirm, reverse, or modify the Director's ruling or conduct such other proceedings as the Commission deems appropriate.

B. Permit denial, suspension, or revocation
1. The Commission may deny a permit application pursuant to a hearing upon 15 days notice.
2. The Commission shall revoke or suspend a permit only after notice and opportunity for hearing. Notice of the hearing shall be given in writing at least 20 days prior to the date set for hearing, unless waived by the applicant.
3. All parties appearing before the Commission shall be afforded an opportunity for a hearing and the opportunity to respond and present evidence and argument on all issues.
4. Any party appearing before the Commission shall have the right to appear in person, or by counsel, except that a corporation may appear only through counsel. Any party may submit such party's case in writing. Failure of a party to appear for a hearing shall leave the Commission free to act upon the evidence at hand without further notice to the parties. Proceedings may be reopened by the Commission upon written petition of any party to the proceedings.

C. Hearing officer. If the Commission assigns a matter to a hearing officer, the hearing officer shall submit to the Commission within 15 days after the conclusion of the hearing a written decision which shall include proposed findings of fact, conclusions of law and order. The decision of the hearing officer may be approved or modified by the Commission. The decision of the hearing officer becomes the decision of the Commission unless modified by the Commission within 45 days.

D. Depositions
1. When any party desires to take the oral deposition of any witness residing outside the state or otherwise unavailable as a witness, such party shall file with the Commission a petition for permission to take the deposition of such witness, showing the name and address of such witness and setting forth specifically and in detail the nature and substance of the testimony expected to be given by such witness. The application may be granted if it appears from such petition that the witness resides outside the state or is otherwise unavailable and that the testimony of such witness is relevant and material. If such statement is

not made specifically and in detail, so that the Commission may determine therefrom the relevancy and materiality of the testimony of such witness, such petition may be denied.

2. The Commission may, at its discretion, designate the time and place and office at which such a deposition may be taken. The expense of any deposition shall be borne by the party applying to the Commission for permission to take same.
3. Any deposition taken under this subsection shall be returned and filed with the Commission within 30 days after permission for taking same is granted.

E. Service

1. Service of any decision, order, or other process may be made in person or by mail. Service by mail shall be made by enclosing the same or a copy thereof in a sealed envelope and depositing the same in the United States mail, postage prepaid, addressed to the party served, at the address as shown by the records of the Department, except that notice of a hearing before the Commission shall be mailed by certified mail to the last known address of the parties as shown by the records of the Department.
2. Proof of service may be made by the affidavit or oral testimony of the person making such service.
3. The time periods prescribed or allowed by these rules, by order of the Department or by an applicable statute, shall be computed as provided in the Rules of Civil Procedure.
4. Service upon an attorney who has appeared on behalf of a party will constitute service upon such party. In the case of papers requested to be served upon the Commission, an original and five copies shall be filed in the office of the Department and a copy shall be served upon the Attorney General.

F. Rehearing or review

1. Except as provided in paragraph (7) of this subsection, any party in a contested case before the Commission who is aggrieved by a decision rendered in such case may file with the Commission, not later than 15 days after service of the decision, a written motion for rehearing or review of the decision, specifying the particular grounds therefor. For purposes of this paragraph, a decision shall be deemed to have been served when personally delivered or mailed to the party at such party's last known residence or place of business.
2. The motion for rehearing may be amended at any time before it is ruled upon by the Commission. A response may be filed within ten days after service of such motion or amended motion by any other party. The Commission may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.
3. A rehearing or review of the decision may be granted for any of the following causes materially affecting the moving party's rights:
   a. Irregularity in the administrative proceedings of the hearing officer or Commission or the prevailing party, or any order or abuse of discretion, whereby the moving party was deprived of a fair hearing.
   b. Misconduct of the hearing officer, Commission, or the prevailing party.
   c. Accident or surprise which could not have been prevented by ordinary prudence.
   d. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing.
   e. Excessive or insufficient penalties.
   f. Error in the admission or rejection of evidence or other errors of law occurring at the administrative hearing.
   g. The decision is not justified by the evidence or is contrary to law.
4. The Commission may affirm or modify the decision or grant a rehearing to all or any of the parties and on all or part of the issues for any of the reasons set forth in paragraph (3) of this subsection. An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.
5. Not later than ten days after a decision is rendered, the Commission may, on its own initiative, order a rehearing or review of its decision for any reason for which it may have granted a rehearing on motion of a party. After giving the parties or their counsel notice and an opportunity to be heard on the matter, the Commission may grant a motion for rehearing for a reason not stated in the motion. In either case, the order granting such a rehearing shall specify the grounds therefor.
6. When a motion for rehearing is based upon affidavits, the affidavits shall be served with the motion. An opposing party may, within ten days after such service, serve opposing affidavits, which period may be extended for an additional period not exceeding 20 days by the Commission for good cause shown or by written stipulation of the parties. Reply affidavits may be permitted.
7. If in a particular decision it is necessary for the immediate preservation of the public peace, health, and safety and if a rehearing or review of the decision is impracticable, unnecessary, or contrary to the public interest, the decision may be issued as a final decision without an opportunity for a rehearing or review.
8. For purposes of this subsection the terms "contested case" and "party" shall be defined as provided in A.R.S. § 41-1001.
9. To the extent that the provisions of this rule are in conflict with the provisions of any statute providing for rehearing of decisions of the Commission, such statutory provisions shall govern.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-124 recodified from R4-27-124 (Supp. 95-1).

R19-2-125. Arizona Stallion Awards

A. Definitions

1. "Arizona stallion" means an uncastrated, adult male horse that stands the entire breeding season in Arizona.
2. "Breeding year" means the period beginning January 1 and ending July 31.
3. "Fiscal year" means the period beginning July 1 and ending June 30.
4. "Owner" means the person who possesses the stallion at the time of the person's certification application for the fiscal year, according to the records of the Department.

B. Owner and lessee eligibility. For an owner or the lessee of an Arizona stallion to be eligible for an award of funds for a fiscal year:

1. The owner or lessee shall:
   a. Apply for stallion certification by the due date set by the breeders association for complying with the requirement in subsection (D);
   b. Submit the breeder report required in subsection (E); and,

c. Comply with subsection (F) if applicable.
2. In the event of death or the retirement of a stallion, the owner or lessee remains eligible for awards if the requirements in subsection (D) are followed.
3. The stallion shall be certified at the time its eligible Arizona-bred offspring earn purse money in races listed in subsection (H).

C. Qualifications for Arizona stallion certification. To qualify for Arizona stallion certification for the fiscal year, an owner or lessee shall:
1. Permanently domicile the stallion in Arizona from January 1 through July 31. During this time, the owner or lessee may move the stallion outside of Arizona for racing or for medical treatment;
2. Register the stallion with the Arizona breed registry that corresponds to the stallion's national breed registry; and
3. Notify the appropriate Arizona breed registry within 10 days of the stallion entering or leaving Arizona during the breeding year.

D. Application procedure for stallion certification
1. By the due date set by the appropriate Arizona breeders association, and approved by the Commission in accordance with subsection (D)(2)(b), an owner or lessee may apply for Arizona stallion certification for the fiscal year. The owner or lessee shall:
   a. File an official application form with the Arizona breeders' association for each stallion owned or leased; and
   b. Pay a certification fee for each stallion when the application form is filed.
2. The Arizona breeders association shall:
   a. Forward a legible copy of the completed application to the Department;
   b. Set an application due date and reasonable certification fee, if these actions are authorized by the Commission in a contract permitted under A.R.S. § 5-114(D).
3. The Commission shall review and approve or reject each contract for stallion certification.

E. Breeding report
1. A quarter horse stallion owner or lessee shall submit a legible copy of the annual "Stallion Breeding Report" to the breeders association monitoring quarter horse stallions by November 30 of the current breeding year.
2. Except as provided in subsection (F), a thoroughbred stallion owner or lessee shall submit a legible copy of the annual "Report of Mares Bred" to the breeders association monitoring thoroughbred stallions by August 1 of the current breeding year.

F. Thoroughbred stallion bred to quarter horse mares
1. If a thoroughbred stallion is being bred to quarter horse mares, an owner or lessee shall send the application, fees, and breeding report required in subsections (D) and (E)(1) to the breeders association monitoring quarter horse stallions.
2. If a thoroughbred stallion is being bred to thoroughbred and quarter horse mares, an owner or lessee shall send the application, fees, and breeding reports required in subsections (D) and (E) to both of the Arizona breeders associations.

G. Disqualification and Reinstatement
1. If a stallion owner or lessee fails to comply with applicable requirements in subsections (B), (C), (D), (E), and (F) the Department shall disqualify the owner or lessee from receiving an award of fund monies during the affected fiscal year.
2. To reinstate eligibility for subsequent years, the owner or lessee shall pay the certification fee prescribed in subsection (D)(1)(b) and comply with applicable requirements in subsections (B), (C), (D), (E), and (F).

H. Award races. Except for maiden claiming and maiden allowance races at Arizona racetracks, the following are eligible races:
1. Quarter horses:
   a. All races with a purse value of $10,000 or more;
   b. All allowance races;
   c. At the Turf Paradise meet, all claiming races with a claiming price of $3,500 or more; and
   d. At other Arizona racetracks, all claiming races with a claiming price of $2,500 or more.
2. Thoroughbreds:
   a. The Prescott Futurity, the Prescott Derby, and all races with a purse value of $15,000 or more;
   b. The Inaugural, the Mile High, and all allowance races;
   c. At the Turf Paradise meet, all claiming races with a claiming price of $6,000 or more; and
   d. At other Arizona racetracks, all claiming races with a claiming price of $3,500 or more.

I. Fund distribution procedures
1. The Arizona breeders associations shall submit to the Department, at least annually, a written report that contains the following information:
   a. The names of certified Arizona stallions for the fiscal year;
   b. The names of certified Arizona-bred offspring of the Arizona stallions. Arizona-bred horses may be certified by following the procedures prescribed in R19-2-116(A) and (B);
   c. The 1st, 2nd, and 3rd place finishes of each certified Arizona-bred horse, sired by a certified Arizona stallion, in each eligible race; and,
   d. The earnings in each race of each Arizona-bred horse sired by a certified Arizona stallion.
2. The Department shall:
   a. Hold 10% of the monies accumulated prior to the 1996-97 fiscal year for contingent liabilities;
   b. Calculate a payment factor at the end of each fiscal year by dividing the total monies available, under subsections (I)(2)(d), (e), (f), or (g), by the total dollar value of purses, not to exceed $30,000 per horse per race, won in eligible races during the fiscal year;
   c. Multiply the payment factor by the total purse amount won in eligible races during the fiscal year;
   d. Distribute to eligible owners or lessees 40% of the amount accumulated in the fund prior to the 1996-97 fiscal year and the amount earned by the fund during the 1996-97 fiscal year;
   e. Distribute to eligible owners or lessees 25% of the amount accumulated in the fund prior to the 1996-97 fiscal year and the amount earned by the fund during the 1997-98 fiscal year;
   f. Distribute to eligible owners or lessees 25% of the amount accumulated in the fund prior to the 1996-97 fiscal year and the amount earned by the fund during the 1998-99 fiscal year; and,
   g. Distribute to eligible owners or lessees the amount earned by the fund during the fiscal year for the years after the 1998-99 fiscal year.
3. The owner or lessee shall designate, on a form provided by the Department, the single payee to whom Arizona

stallion award checks shall be issued when there is more than 1 owner of a stallion.

J. Appeal of Director's rulings
1. The Director shall make the final decision concerning a stallion award.
2. The Department shall give written notice of the decision to an applicant by mailing it to the address of record filed with the Department.
3. After service of the Director's decision, an aggrieved party may obtain a hearing under A.R.S. §§ 1092.03 through 41-1092.11.
4. The aggrieved party shall file a notice of appeal with the Department within 30 days after receiving the notice prescribed in R19-2-125(J)(2).
5. The Department shall notify the Office of Administrative Hearings, which shall schedule and conduct the hearing.

Historical Note
Adopted effective November 7, 1996 (Supp. 96-4).

ARTICLE 2. RESERVED

ARTICLE 3. GREYHOUND RACING

R19-2-301. Power and Authority

A. All powers of the Department and Commission not specifically defined in these rules are reserved to the Department and Commission under the law creating the Department and Commission and specifying its powers and duties.

B. The jurisdiction of the Department and Commission over matters covered by the statutes and the rules is continuous throughout the year.

C. The statutes of the state of Arizona and the rules and the orders of the Department and Commission take precedence over the conditions of a race or of a racing meeting.

D. The Director may sustain, reverse, or modify any penalty or decision imposed by the stewards.

E. The Commission may sustain, reverse, or modify any penalty or decision imposed by the Director.

Historical Note
Adopted effective August 5, 1983 (Supp. 83-4). R19-2-301 recodified from R4-27-301 (Supp. 95-1).

R19-2-302. Definitions

In these rules, unless the context otherwise requires:
1. "Added money" means the money a permittee adds to the nominating and starting fees in a race.
2. "Adequate feed" means supplying the greyhound a quantity of foodstuffs daily for its age and weight to maintain a reasonable level of nutrition.
3. "Age" means the age of a greyhound as computed from the day the greyhound was whelped.
4. "Authorized agent" means a person appointed pursuant to R19-2-306(I) of these rules.
5. "Breeder" of a greyhound means the owner or lessee of its dam at the time of whelping.
6. "Breeding farm" means a facility where greyhounds are bred and raised.
7. "Breeding place" means the place of birth of a greyhound.
8. "Commission" means the Arizona Racing Commission.
9. "Course" means the track over which greyhounds race.
10. "Declaration" means the act of withdrawing an entered greyhound from a race.
11. "Department" means the Arizona Department of Racing.
12. "Director" means the Director of the Arizona Department of Racing.
13. "Entrance fee" means a fee set by the permittee which must be paid in order to make a greyhound eligible for a stakes race.
14. "Entry" means a greyhound eligible and entered in a race.
15. "Equipment" as applied to greyhounds means muzzles and number blankets.
16. "Exercise areas" are fenced locations where greyhounds are released to exercise for a short period of time and then returned to their kennel housing crates, or to their run housing.
17. "Field" means the entire group of greyhounds in a race.
18. "Foreign substance" means any drug, medicine, or any other substance foreign to the greyhound's body which does or may affect the racing condition of a greyhound or which does or may affect sampling or testing procedures. Foreign substances include, but are not limited to, stimulants, depressants, local anesthetics, narcotics, and analgesics.
19. "Grounds" means the entire area used by the permittee to conduct racing meetings including, but not limited to, the track, grandstand, kennels, concession areas, and parking facilities.
20. "Kennel housing" means any facility where greyhounds are housed indoors.
21. "Kennel owner" means a person who has a contract or agreement with a permittee to provide dogs to the permittee's facility.
22. "Lawfully issued prescription" means a prescription-only drug, as defined in A.R.S. § 13-3401, obtained directly or pursuant to a valid prescription or order from a licensed physician acting in the course of professional practice.
23. "Lessee" or "lessor" means a person who has leased a greyhound for racing or breeding purposes.
24. "Lure" means mechanical apparatus consisting of the following component parts: A stationary rail installed around the track and a reasonable decoy which shall be attached to the pole.
25. "Maiden" means a greyhound which at the time of starting has never won a race in any country on a recognized track or which has been disqualified after finishing first.
26. "Manager/Agent," for purposes of R19-2-327, means a person managing a racing kennel, breeding farm, or other operation.
27. "Matinee" means a schedule of races conducted upon a track in daylight hours.
28. "Meeting" means the entire period for which a permit to conduct racing has been granted to any permittee by the Department.
29. "Night performance" means a schedule of races conducted upon a race track during night hours.
30. "Nominating fee" means a fee set by the permittee which must be paid in order to make a greyhound eligible for a stakes race.
31. "Nomination" means the naming of a greyhound or its pup (offspring) to compete in a specific race or series of races, eligibility for which may be conditional upon the payment of a fee at the time of naming.
32. "Nominator" means the person in whose name a greyhound is nominated for a stakes or handicap race.
33. "Off time" means the moment at which, on signal of the starter, the greyhounds break and run.
34. "Other operation" means a facility where greyhounds are trained, or kept.
35. "Owner" means any person possessing all or part of the legal title to a greyhound, or any person possessing all, or

part of the legal interest in a racing kennel, breeding farm, or other operation.

36. "Place" means the position in which a greyhound finishes in a race and, more specifically, win-first, place-second, and show-third.
37. "Post position" means the position assigned to a greyhound for the start of a race.
38. "Post time" means the time set for the arrival at the starting point of the greyhounds in a race.
39. "Prohibited substance" means any substance regulated by A.R.S. Title 13, Chapter 34.
40. "Race" means a contest among greyhounds for purse, stakes, premium, or wager for money, run in the presence of the racing officials of the track and of the Department.
    a. "Hurdle race" means a race over a course in which jumps or hurdles are used.
    b. "Match race" means a race between two or more greyhounds, each the property of different owners, on terms agreed upon by the owners and approved by the Department.
    c. "Overnight race" means a race for which entries close 96 hours or less before the time set for the first race of the day on which such race is to be run.
    d. "Purse race" means a race for money or other prize to which the owners of the greyhounds engaged in the race do not contribute an entry fee.
    e. "Race on the flat" means a race over a course in which no jumps or other obstacles are placed.
    f. "Stakes race" means a race in which any monies are to be deposited by the owners of the greyhounds engaged in the race, including a race in which money or other prize is added, and in which nominations must close more than 72 hours before the time for the first race of the day on which such stakes race is to be run.
41. "Racing kennel" means a kennel located off-track and operated under contract, or agreement with a permittee to provide greyhounds to the permittee's facility.
42. "Recognized track" means a track where pari-mutuel wagering is authorized by law.
43. "Ruled off" means the act of barring from the grounds of a permittee and denying all racing privileges.
44. "Run housing" means a fenced area where greyhound puppies and nonracing greyhounds live and are permitted to move about freely.
45. "Scratch" means the act of withdrawing an entered greyhound from a race after the drawing for post positions in that race has been completed. There shall be no substitutions or replacements after post positions have been drawn.
46. "Scratch time" means the time set by the permittee for the withdrawing of entries from the races of that day.
47. "Starting fee" means a fee set by the permittee which must be paid in order to start in a race. This fee is specified by the conditions of the race.
48. "Starting greyhound" means a greyhound which leaves the paddock for the post, excluding:
    a. A greyhound subsequently excused by the stewards, or
    b. A greyhound whose starting box door does not open in front of it at the time the starter dispatches the field.
49. "Subscription" means the act of nominating to a stakes race.
50. "Supplemental fee" means a fee set by the permittee to make a greyhound eligible for a stakes race that must be paid at a time prescribed by the permittee.
51. "Suspended" means that any privilege granted by the officials of a racing meeting or by the Commission or the Department has been temporarily withdrawn.
52. "Sustaining fee" means a fee which must be paid periodically, as prescribed by the conditions of the race, in order to keep a greyhound eligible for that race.
53. "Tote/totalizer" means the machines which sell mutuel tickets and the board on which the approximate odds are posted.
54. "Track" means the course over which races take place.
55. "Trainer" means the person employed by an owner or lessee to condition greyhounds for racing.
56. "Turn-out pens" are enclosed, or fenced areas where racing greyhounds are briefly released from their kennel housing crates for the purpose of urinating and defecating.
57. "Walkover" means a race in which there are not two or more greyhounds of separate interest sent postward.
58. "Weighing in" means the act of recording weight of a greyhound taken at the first weighing in, in accordance with these rules.
59. "Weighing out" means the act of recording weight of a greyhound previous to post time or time of the race in which it is entered.
60. "Whelped" means the birth of a greyhound.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective November 30, 1988 (Supp. 88-4).
Amended effective March 20, 1990 (Supp. 90-1).
Amended effective February 28, 1995; R19-2-302 recodified from R4-27-302 (Supp. 95-1).

R19-2-303. Permit Applications

A. Any person or persons, associations, or corporation desiring to hold or conduct a horse racing meeting within the state of Arizona shall file with the Commission 10 copies of a permit application as set forth in A.R.S. § 5-107.

B. The Department shall not issue a permit until the applicant has furnished evidence of compliance with A.R.S. § 23-901 et seq. (Workers' Compensation).

C. Permit applicants shall submit to the Commission the names of the proposed track officials at least 60 days prior to the beginning of their meet, along with a short biographical sketch of each official not previously licensed in the same capacity by the Department.

D. A permit application shall specify the number of races to be run on a daily basis.

E. Racing shall be conducted only on those days granted by permit.

F. Permit Application Time-frames.
1. Administrative completeness review time-frame.
    a. Within 728 days after receiving an application package, the Department shall determine whether the application package contains the information required by subsections (A), (B), (C), and (D).
    b. If the application package is incomplete, the Department shall issue a written notice that specifies what information is required and return the application. If the application package is complete, the Department shall provide a written notice of administrative completeness.
    c. The Department shall deem an application package withdrawn if the applicant fails to file a complete

application package within 180 days of being notified that the application package is incomplete.

2. Substantive review time-frame. Within 30 days after receipt of a complete application package, the Commission, with the recommendation of the Department, shall determine whether the applicant meets all substantive requirements and issue a written notice granting or denying a permit.
3. Overall time-frame. For the purpose of A.R.S. § 41-1073, the Department establishes the following time-frames for issuing a license:
   a. Administrative completeness review time-frame: 728 days.
   b. Substantive review time-frame: 30 days.
   c. Overall time-frame: 758 days.

4. Renewal and temporary permit time-frames. The administrative completeness review time-frame is 30 days, the substantive review time-frame is 30 days, and the overall time-frame is 60 days, excluding time for mailing. The renewal or temporary permit is considered administratively complete unless the Department issues a written notice of deficiencies to the applicant. Temporary permits are valid until a full permit is awarded or until the Commission revokes the temporary permit.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-303 recodified from R4-27-303 (Supp. 95-1). Amended effective January 6, 1998 (Supp. 98-1).

R19-2-304. Permittee Responsibilities

A. A permittee shall maintain the grounds in a neat, clean, and safe condition. If a steward determines that compliance does not exist, he or she shall require that the permittee immediately bring the grounds into compliance.

B. It shall be the responsibility of the permittee to prevent any person, corporation, firm, or association not licensed by the Department from doing or performing any act or acts at its track which requires a license under A.R.S. Title 5, Chapter 1, or under these rules.

C. Each permittee department head shall be responsible for seeing that his or her employees are licensed and shall furnish a list of said employees upon request.

D. A permittee shall take all steps necessary to deny the privileges of a license to anyone whose license has been revoked or suspended, to keep such person off the grounds of the permittee, and to prevent a person who has been ruled off from entering upon the grounds of the permittee.

E. No permittee or any of its employees shall obstruct in any way a representative of the Department acting in the performance of his or her duties.

F. No permittee shall knowingly allow on its grounds any betting or other operations in contravention of any law of the state of Arizona or of the United States.

G. The permittee shall forthwith report all observed violations of any racing regulation or statute to the Department and shall cooperate with the Department and state, federal, and local authorities in investigations thereof.

H. A permittee shall provide the following services at the track:
1. An adequate security force whose duties shall include:
   a. Maintaining order.
   b. Excluding from the grounds all handbooks, touts, and operators of gambling devices.
   c. Excluding from the grounds all persons ruled off by the stewards or the Department.
   d. Excluding from the grounds all persons not eligible for a license, pursuant to A.R.S. § 5-108, and all other undesirables.
   e. Reporting forthwith to the stewards any licensee who, while on the premises of the permittee, creates a disturbance, is intoxicated, interferes with any racing operation, or acts in an abusive or threatening manner to any racing official or other person.
2. A security guard stationed at the kennel area entrance whose duties shall include:
   a. Denying entrance to all persons not holding a license or credentials issued by the Department or a Department pass issued by the permittee.
   b. Allowing any person seeking employment with the permittee to have access to that area for a period of one day, provided that:
      i. Such person is given a numbered card or temporary badge.
      ii. A list of recipients of the numbered cards or temporary badges is provided to the track office of the Department upon re quest.
      iii. The numbered card or badge is retrieved by the security guard when such person leaves the restricted area.
3. A furnished office, including utilities and necessary office equipment, for the exclusive use of Department employees and officials.
4. A uniformed security official approved by the Department to be on duty in the test area during its regular business hours whose duty shall be to provide security and monitor the collection procedure and sealing of samples taken from the greyhounds.
5. Adequate space and facilities so that the testing personnel may perform inspections, tests, and other collection procedures. Access to such space shall be restricted.
6. First aid quarters to be available during racing hours.
7. A copy of all tip sheets offered for sale in the parking area or elsewhere on the grounds of the permittee to be furnished daily to the stewards not later than three hours before first post.

I. No tip sheets, pamphlets, or other printed matter purporting to predict the outcome of a race other than official programs and newspapers shall be sold in the betting area.

J. Wagering shall be conducted upon the grounds of a permittee only under the pari-mutuel method as provided by statute and these rules and by the use of such mechanical or other equipment as the Department may require. Bookmaking or betting other than by the pari-mutuel method is prohibited.

K. No permittee shall allow the official racing of greyhounds on any track under its control unless:
1. All track rules shall be posted conspicuously and a copy of said rules shall be filed with the Department.
2. The conditions of the race have been written by the racing secretary at the meeting.
3. The entries have been made in accordance with the requirements set forth in R19-2-316.
4. The race is programmed as a part of a regular racing card conducted under the pari-mutuel system.
5. A simulcast originating from a racing facility within the state of Arizona may be permitted provided the out-of-state facility receiving the signal operates under the approval and regulation of an official agency of that state.

L. On a daily basis, and as soon as the entries have been closed and compiled and the declarations have been made, the permittee shall post a list thereof in a conspicuous place.

M. A list of all officials and directors of the permittee and of track and racing officials, together with such pertinent rules as the Department may designate, shall be printed on a daily racing program.

N. No permittee shall allow an official to act until his appointment has been approved by the Department; provided, however, that in the case of sickness or inability to act, the provisions of R19-2-309(A)(5) of these rules apply.

O. The permittee shall provide a photo finish and videotape device approved by the Department for the purpose of recording all official races. Said photographs and videotapes may be used to aid the stewards in determining the finishes of races. Permittees shall retain for three months all official race photographs and videotapes. The Department may require that specific photographs and videotapes be retained for a longer period of time or be transmitted to the Department for subsequent administrative or judicial proceedings.

P. Any automatic timing device installed by the permittee must have the approval of the Department.

Q. Each permittee shall furnish the Department with annual financial statements audited and certified by a firm approved by the auditor general.

1. The audit shall be conducted in accordance with audit standards prescribed by the auditor general.
2. The financial statements shall be prepared in accordance with generally accepted accounting practices.
3. The following shall be submitted as information accompanying the financial statements in a form prescribed by the Department.
   a. The total amount of salaries and bonuses expense.
   b. Legal and accounting expense attributable to racing-related matters.
   c. An explanation of the types of revenues and expenses classified in accounts titled “other”.
   d. Such other information as shall be requested by the Commission or Department.
4. Financial statements of permittees granted original permits prior to July 1, 1982, shall be on a calendar year basis. Financial statements of permittees granted original permits after July 1, 1982, may be on a fiscal or calendar year basis at the discretion of the Director.
5. Financial statements shall be submitted within 120 calendar days of the end of the fiscal or calendar year.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsection (Q) effective June 6, 1986 (Supp. 86-3). Amended effective March 20, 1990 (Supp. 90-1). Amended effective August 6, 1991 (Supp. 91-3). R19-2-304 recodified from R4-37-304 (Supp. 95-1).

R19-2-305. Charity Races

A. A permittee shall provide the Commission with:

1. The name of any nonprofit organization or corporation selected by the permittee as a charity entitled to benefit from a charity racing day or race.
2. A list of the names and addresses of all directors, officers, and shareholders holding ten percent or more of the total number of outstanding voting shares of the charitable corporation.
3. A brief description of the purposes and activities to be benefited by monies received from the charity racing day or race.
4. A copy of an Internal Revenue Service letter of determination qualifying the particular charity as an exempt organization or corporation for federal income tax purposes.

B. No permittee shall charge any expenses incurred by operation of racing against the pari-mutuel handle of a charity racing day or race except those prorated expenses incurred on the day of that particular charity racing day or race.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-305 recodified from R4-27-305 (Supp. 95-1).

R19-2-306. Licensing

A. All persons participating in any capacity in a racing meeting, including all persons who perform services in connection with the conduct of the racing meeting, shall obtain a license from the Department, except:

1. Those persons performing services during a county fair race meet who are identified as volunteers.
2. Any person owning less than 10% of all classifications and types of outstanding shares of stock of any permittee or licensee.

B. Applications

1. A person applying for a license shall complete the form prescribed by the Department. All applicants and licensees are obligated to know and follow the provisions of the rules governing racing in the state of Arizona.
2. The Department may issue written instructions regarding the preparation and execution of the license application, and the instructions may be a part of or separate from the application form, or both.
3. A schedule of license and fingerprint processing fees will be displayed prominently at each track.
4. Each applicant 18 years of age or older shall submit to being fingerprinted. The fingerprints shall be taken by the Department or certified by a municipal police department, sheriff's office, or other recognized authority acceptable to the Department.

C. License applications shall be submitted to the Department office located on the grounds of a permittee or at another designated facility.

D. License procedure

1. A license application shall be granted or denied by a steward and transmitted to the Director.
2. In considering each application for a license, the steward may require the applicant, as well as the applicant’s endorsers, to appear before the steward and show that the applicant is qualified in every respect to receive the license requested. Ability as well as integrity shall be clearly shown by the applicant in order to receive a license.
3. An applicant who fails to pass the test for a trainer’s license must wait at least 6 months before retaking the test.
4. Administrative completeness review time-frame.
   a. Within 85 days after receiving an application package, the Department shall determine whether the application package contains the information required by subsections (B), (C), and (D)(1), (D)(2), and (D)(3).
   b. If the application package is incomplete, the Department shall issue a written notice that specifies what information is required and return the application. If the application package is complete, the Department shall provide a written notice of administrative completeness.
   c. The Department shall deem an application package withdrawn if the applicant or licensee fails to file a complete application package within 10 days of

being notified that the application package is incomplete.

5. Substantive review time-frame. Within 5 days after receipt of a complete application package, the Department shall determine whether the applicant or licensee meets all substantive requirements and issue a written notice granting or denying a license.
6. Overall time-frame. For the purpose of A.R.S. § 41-1073, the Department establishes the following time-frames for issuing a license:
   a. Administrative completeness review time-frame: 85 days.
   b. Substantive review time-frame: 5 days.
   c. Overall time-frame: 90 days.
7. Temporary license time-frames. All licenses are temporary for 90 days under A.R.S. § 5-108(F). Unless the Department denies the applicant, the temporary license automatically becomes a license after 90 days. The administrative completeness review time-frame for a temporary license is 1 day, the substantive review time-frame is 1 day, and the overall time-frame is 2 days, excluding time for mailing. A temporary license is considered administratively complete unless the Department issues a written notice of deficiencies to the applicant.

E. Denials
1. A license may be denied if the applicant:
   a. Habitually has been or is intoxicated or a user of narcotics within the grounds of the permittee pursuant to A.R.S. § 36-2501(A)(8),
   b. Has failed to disclose the true ownership or interest in any greyhound.
2. Whenever a license is denied, the Department shall report the reasons for the denial in writing to the applicant and to the Association of Racing Commissioners International, Inc. and the North American Pari-mutuel Regulators Association.

F. General requirements and restrictions
1. A licensee who is employed in more than 1 category or who changes from 1 category to another shall be licensed in each category.
2. A licensee who is an official at different types of tracks (horse, harness, or greyhound) shall be licensed at each type of track.
3. The Department shall not license a person under 16 years of age in any capacity other than as an owner; and shall not license a person under 18 as an official, trainer, or assistant trainer. Any person under 18, licensed as an owner, shall have a parent or guardian sign the owner's license application, the parent or guardian assuming full financial responsibility for the applicant, before that person can be licensed.
4. Each license shall expire on the 31st day of January, 1996, and every 3rd year thereafter, except that 1-year licenses may be issued for mutuel workers, concession workers, lead-outs, cool-outs, and peace officers. Such licenses shall expire on the 31st day of January, 1996, and every year thereafter.
5. All persons, when present in the kennel area of a greyhound track, in paddock areas, or in any other restricted area, shall wear a photo identification badge issued by the Department or pass issued by the permittee in full view.

G. Fees:

	1st Year	*2nd Year*	*3rd Year*
1. Three-year licenses:			
a. New kennel name:	$124	$112	$100
b. Owner/trainer:	75	50	25
c. Racing kennel, breeding farm, or other operation:	75	50	25
d. Owner, trainer, veterinarian, official, lessee, lessor, assistant trainer, kennel name renewal, or kennel owner:	36	24	12
e. Occupational license:	15	10	5
2. One-year licenses:	7		
3. Duplicate license:	5	5	5
4. Authorized agent when licensed in another category:	5	5	5
5. Authorized agent when not licensed in another category:	36	24	12

H. All licenses are temporary under A.R.S. § 5-108(F). The Department shall perform a background investigation, including fingerprint processing through the Department of Public Safety and the FBI, and research and review of records of the Association of Racing Commissioners International, Inc., the North American Pari-mutuel Regulators Association, information systems, courts, law enforcement agencies, and the Department within the time-frame prescribed in R19-2-306(D)(4).

I. Authorized agents
1. A person may hold a license solely as an authorized agent or be licensed as an authorized agent and be licensed in another category.
2. The principal shall sign the application for a license as an authorized agent and clearly set forth the powers of the agent, including whether the agent is empowered to collect money from the permittee. The application shall be either notarized or signed in the presence of a Department employee and a copy filed with the track bookkeeper. If there is a separate power of attorney, the principal shall file a copy of the instrument with the bookkeeper and with the Department.
3. The principal shall change an agent's powers or revoke an agent's authority in writing that is either notarized or signed in the presence of a Department official, and filed with the Department and the track bookkeeper.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsections (G) and (I) effective January 25, 1985 (Supp. 85-1). Amended subsections (F) and (G) effective December 5, 1985 (Supp. 85-6). Amended subsections (F) and (G) effective February 19, 1987 (Supp. 87-1). Amended subsections (A) and (B) effective October 23, 1987 (Supp. 87-4). Amended subsections (E), (F) and (G) effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). Amended effective January 13, 1995 (Supp. 95-1). R19-2-306 recodified from R4-27-306 (Supp. 95-1). Amended effective January 6, 1998 (98-1).

R19-2-307. Kennel Names

A. A licensed owner wishing to race under a kennel name shall register with the Department and shall pay the fee set forth in these rules.
1. Only owners may register or secure a license under a kennel name.
2. A name other than the legal name(s) of the owner(s) shall be deemed to be a kennel name.

B. The registration referred to in paragraph (1) of this subsection shall include the identity of the individual, partnership, or corporation represented by the kennel name.

1. All persons represented by a kennel name shall have owners' licenses.
2. All persons represented by a kennel name shall sign an authorized agent's application which appoints one person to act as the agent for the kennel name.
3. If the kennel name represents a corporation:
   a. The corporation shall register to do business according to the laws of the state of Arizona;
   b. The corporation shall submit a complete list of stockholders and the number of shares owned by each stockholder whose ownership exceeds ten percent of the number of shares owned by each;
   c. The corporation shall notify the Department immediately if any change of stock ownership occurs which exceeds ten percent;
   d. The corporate name under which the corporation does business in Arizona shall be considered a kennel name for purposes of these rules.

C. A kennel name other than a corporate kennel name may be changed at any time by registering a new kennel name and by paying the fee set forth in these rules.

D. A registered kennel name may be abandoned by a licensed owner after written notice of such abandonment has been given to the Department.

E. A kennel name must be plainly distinguishable from any other registered kennel name.

F. A licensed owner shall not register as his or her kennel name:
1. One which the Department determines to be misleading to the public; or
2. One which the Department determines to be unbecoming to the sport.

G. A licensed owner shall not be a party to more than one kennel name at one time.

H. A licensed owner shall not use his legal name for racing purposes if he or she has a registered kennel name within the state of Arizona.

I. Only one kennel shall be registered under a kennel name.

J. All persons represented by or operating under a kennel name shall be liable for all entry fees and penalties against the kennel.

K. The kennel name shall be carried on the official program as the name of the owner.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-307 recodified from R4-27-307 (Supp. 95-1).

R19-2-308. Owners, Kennel Owners, and Trainers

A. Owners, kennel owners, and trainers are obligated to know the Rules of Racing as adopted by the Commission.

B. Owners, kennel owners, trainers, and their employees shall accept the decisions of the stewards on all questions to which the stewards' authority extends, subject to the right of appeal to the Department pursuant to R19-2-322.

C. When a trainer and assistant trainer are to be absent from the kennel or grounds where greyhounds are racing, they shall provide a licensed trainer or assistant trainer to assume complete responsibility for all greyhounds under their care, and they shall both sign a "Trainers' Responsibility Form" which must be approved by the stewards.

D. No owner, kennel owner, trainer, assistant trainer, race track employee, or other person shall accept directly or indirectly any bribe, gift, or gratuity in any form which intends to or might influence the results of any race.

E. Every kennel owner or trainer who does not have his or her greyhound at the weighing-in room promptly at the time appointed shall have such greyhound scratched; in addition, said kennel owner or trainer may be liable for a civil penalty.

F. Trainers shall report greyhounds under their care or supervision that are off racing form or are in poor physical condition to the racing secretary, who shall immediately notify the stewards. Greyhounds so reported shall not be eligible to enter or to start until approved by the track veterinarian and schooled to the satisfaction of the stewards. Violators of this rule may be subject to a civil penalty, suspension, or to ruling off.

G. No medicine, antiseptic, fluid, or any matter containing any color causing the marring of identification marks shall be used on any part of a greyhound.

H. Any owner, kennel owner, trainer, or other person interested in any greyhound or greyhounds at a meeting licensed by the Commission, who shall bet with or through any handbook, shall be ejected from the grounds of the permittee and shall be refused admission to the grounds of all other licensed permittees in the state of Arizona. In the case of the owner of any greyhound, the entries of said owner shall be refused for all Arizona tracks.

I. All owners, kennel owners, and trainers of greyhounds and their employees are subject to the laws of the state of Arizona and to the rules adopted by the Commission immediately upon making entry to run on a track in Arizona.

J. No licensed trainer shall have any ownership interest in a greyhound of which he or she is not the trainer located at the same track. For purposes of this rule, a reversionary interest in a greyhound, pursuant to a lease or other agreement which transfers control of the grey hound, is not to be considered an "ownership interest".

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective November 30, 1988 (Supp. 88-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-308 recodified from R4-27-308 (Supp. 95-1).

R19-2-309. Officials

A. Generally
1. The term "track official" means the following persons employed by the permittee and approved and licensed by the Department: Director of Racing, 1 steward, mutuel manager, clerk of scales, starter, timer, paddock judge, veterinarian, track superintendent, racing secretary, chart writer, kennel master, and operator of the mechanical lure.
2. The following shall be the "Department officials" appointed by the Department as their representatives: two stewards, state mutuel supervisor, a Department veterinarian, and an investigator.
3. One person may serve in more than one official position if such person can do so without detriment to any of the other positions, and if such person has the consent and approval of the Department, provided that neither the racing secretary nor the permittee director of racing may serve as a steward.
4. In all rulings by the stewards, majority of the stewards is deemed to be controlling.
5. Vacancies:
   a. When a vacancy occurs among officials other than stewards, the stewards shall fill the vacancy prior to post time of the first race of the day or when the vacancy occurs. The appointment shall be effective only for the day unless the permittee fails to fill the vacancy on the following day and has notified the stewards of its action not less than one hour before the post time of the first race of the following day.

Such an appointment shall be reported promptly to the Department.

b. If a vacancy occurs among the stewards, the stewards present shall appoint one or two persons to serve as temporary stewards. Appointments made under this rule shall be reported in writing to the Department.

c. In case of emergency, the stewards may appoint a substitute to fill a vacancy for that emergency only.

6. Minors shall not be licensed as officials.
7. No one interested in the result of a race because of ownership interest in any entered greyhound, bets, or in any other manner shall act as an official at the meeting.

B. Prohibited acts

1. No official or his or her assistant shall purchase mutuel tickets on races.
2. No official or his or her assistant shall consume alcoholic beverages while on duty.
3. No licensee or race track employee shall accept, either directly or indirectly, any bribe, gift, or gratuity in any form which is intended to or might influence the results of any race or the conduct of any racing meeting.
4. No official or employee shall write or solicit dog insurance at any meeting.

C. Each official and employee shall report all observed violations of these rules to the stewards.

D. Complaints

1. Any grievance or complaint against a track official, an employee of the permittee, or a licensee shall be made in writing within five days of the alleged objectionable act or behavior. The grievance or complaint shall be made to the stewards, who shall consider the matter, take whatever action is deemed to be appropriate, and make a full report of their action to the Department.
2. Any grievance or complaint against an official or employee of the Department shall be reported in writing within five days of the alleged objectionable act or behavior. The grievance or complaint shall be made to the Deputy Director of the Department who shall refer the matter to the Department.
3. The Department reserves the right to demand a change of any official or employee for good cause.

E. Stewards

1. Two stewards appointed by the Director and one steward appointed by the permittee and licensed by the Director shall supervise each racing meeting.

a. Stewards' duties shall include being in attendance at the office of the racing secretary or on the grounds of the permittee on any day in which entries are being taken or racing is being conducted and representing the Department in all matters pertaining to the interpretation of the rules adopted by the Department.

b. The stewards shall advise the Director of all rulings and hearings held.

c. If a steward is unable to perform his or her duties for an extended period of time, he or she shall immediately notify the Director of that fact so that an alternate steward may be named to act in his or her place.

2. The stewards shall enforce the rules and statutes of the state of Arizona.
3. The stewards shall have the power to interpret the rules and to decide all questions not specifically covered by said rules. In all such interpretations, the orders of the stewards shall supersede the orders of the permittee.

a. The stewards shall have control over and shall have free access to all stands, enclosures, and all other places within the grounds of the permittee.

b. The stewards shall investigate and render a decision promptly on each objection properly made to them pursuant to R19-2-320 of these rules. Each ruling shall be signed by a majority of the stewards.

c. The stewards shall supervise all entries and declarations. They may refuse entries or the transfer of any entries for violations of the rules or of the statutes.

d. The stewards shall have the power to regulate and control the conduct of all officials and all other persons attending or participating in any manner in a racing meeting.

e. The stewards, in order to maintain necessary safety and health conditions and to protect the public confidence in greyhound racing as a sport, shall have the right to authorize a person or persons in their behalf to enter into or upon the buildings, kennels, rooms, motor vehicles, trailers, or other places within the grounds of a licensed race track, to examine same, and to inspect and examine the person, personal property, and effects of any person within such place, and to seize any items prohibited under R19-2-311(5) and (6) or any other illegal article.

f. The stewards may impose a civil penalty in an amount not exceeding $500 on any person subject to their control for violation of these rules. In addition, after a hearing pursuant to paragraph (6) of this subsection, the stewards may suspend, for a period of time up to 60 days, any person violating any of these rules and may rule off licensees violating any of these rules. Nothing in these rules shall prevent the stewards from imposing both a civil penalty and suspension for the same violation. The stewards may refer any ruling made by them to the Director recommending further action, including the revocation of a license suspended by them.

g. In all cases where laboratory reports or other evidence shows the administration or presence of a foreign substance, the stewards shall immediately investigate the matter, disqualify the greyhound, may suspend the trainer or other person(s) involved, refer the matter to the Director, and may impose a fine.

h. Every person or entry expelled or ruled off by any recognized racing authority for corrupt or fraudulent or improper practice or conduct is ruled off wherever these rules have force.

i. When a person has been suspended, every greyhound wholly or partly owned by him or her shall also be ruled off or expelled, so long as his or her suspension continues. He or she shall not be qualified, whether acting as agent or otherwise, to subscribe for, or to enter or to run any greyhound in any race, in either his or her own name or that of any other person, and no greyhound of which he or she is wholly or partly the owner, or which is under his or her care, management, training, or supervision, or in the winnings of which he or she has any interest, shall be qualified to be entered to run in any race. If an entry from any person, or of any greyhound that stands ruled off or expelled, is received, such entry shall be void, and any entry or subscription money is forfeit. Any money or prize won under said entry shall be returned.

4. The stewards may excuse a greyhound that has left the paddock for the post if they consider such a greyhound to be crippled, disabled, or unfit to run.
5. The stewards shall determine the finish of a race by the relative position of the muzzles or noses of each greyhound. They shall immediately notify the permittee parimutuel department of the numbers of the first four greyhounds.
   a. The stewards shall promptly display the numbers of the first three greyhounds in each race in order of their finishes. If the stewards differ in their placing, the majority shall prevail.
   b. The stewards may consult the photo finish device provided by the permittee to aid them in determining the finish of a race.
      i. In any instance where the pictures furnished are not adequate or usable, the decision of the stewards shall be final and need not be governed in any manner by the photograph.
      ii. If it is considered advisable to consult a picture from the finish camera, the stewards may post such placements as are in their opinions unquestionable without waiting for a picture. After consulting the picture they may make the other placements. In no case, however, shall the race be declared official until the stewards have determined the greyhounds finishing first, second, and third.
   c. Nothing in these rules shall be construed to prevent the stewards from correcting an error before the display of the sign "official" or from recalling the sign "official" in case it has been displayed through error.
6. When the stewards have reason to believe that a rule has been violated by any person, the procedure shall be as follows:
   a. The person shall be summoned to a hearing at which all stewards shall be present.
   b. Twenty-four-hour notice of said hearing shall be given to the person in writing on a form supplied by the Department. This notice shall be timed and dated, and the person notified shall sign it. The original shall remain with the stewards and shall be part of the case file. A copy shall be given to the person summoned.
   c. No penalty shall be imposed until such hearing.
   d. Nonappearance of the summoned party after adequate notice shall be construed as a waiver of the right to a hearing before the stewards.
   e. The person summoned shall be permitted to present witnesses on his or her own behalf.
   f. If there is substantial evidence to find a violation of these rules, appropriate action, including suspension or civil penalty or both, shall be taken by the stewards. The stewards shall promptly forward their written decision or ruling to the Director and to the party in question.
   g. In the interest of the health, safety, and welfare of the people of the state of Arizona, the stewards may summarily declare a grey hound scratched and may suspend a license pending a stewards' hearing.
   h. Any license suspended by the steward shall be recovered and forwarded to the Department.
   i. All matters within their jurisdiction shall be determined by a majority vote of the stewards.
   j. The stewards shall have the power to modify, change, or remit any ruling imposed by them.
   k. Civil penalties imposed by the stewards shall be paid to the Department promptly for deposit with the state treasurer.
7. During the term of suspension of any owner, trainer, or other person on any track under the jurisdiction of the Department, it shall be the duty of the stewards and of the permittee to see that the ruling against the offender is enforced.

F. Racing secretary
1. The duties of the racing secretary shall include:
   a. Reporting to the stewards all violations of these rules or of the rules of the permittee which come to the racing secretary's attention.
   b. Keeping a complete record of all races.
2. The racing secretary or authorized representative shall inspect all papers and documents dealing with owners and trainers, partnership agreements, appointments of authorized agents, and adoption of kennel names. The racing secretary may demand production of such documents and papers in order to satisfy the racing secretary as to their validity and authenticity and to ensure that the rules have been complied with.
3. The racing secretary shall write the conditions of all races and shall publish them sufficiently before closing time for entries to allow them to be read by all owners and trainers. Conditions may not be altered after the time set for closing and shall not conflict with racing rules.
4. The racing secretary shall act as the official handicapper in all races.
5. The racing secretary shall determine the character and condition of substitute and extra races, and the stewards shall approve them.
   a. No substitute or extra races shall carry less guaranteed purse than the race which they replace.
   b. If a race is canceled or declared off, the racing secretary may split any race programmed for the same day which previously may have been closed.
6. The racing secretary or his or her designee shall conduct the drawing of all races and immediately thereafter shall post an overnight listing of the greyhounds in each race.
7. The racing secretary shall not allow any greyhound to start in a race unless the greyhound is entered in the name of the legal owner and unless the owner's name appears on the registration papers or on a legal lease or bill of sale attached to the registration papers.

G. Assistant racing secretary. The duty of the assistant racing secretary shall be to assist the racing secretary in the performance of the racing secretary's duties and under the racing secretary's supervision.

H. Starter
1. The starter shall have:
   a. Complete jurisdiction over the starting of any field of greyhounds, authority to give orders necessary to ensure a fair start, and authority to recommend to the stewards the fining or suspension of any person violating his or her orders.
   b. The greyhound shall be started from a type of starting box approved by the Department, and there shall be no start until, and no recall after, the doors of the starting box have opened. The starter shall report causes of delay, if any should occur, to the stewards.
   c. A false start, due to any faulty action of the starting box, break in the machinery, or other cause, is void. The greyhounds may be started again as soon as practicable, or the race may be canceled at the discretion of the stewards.

I. Clerk of the scales
1. The duties of the clerk of the scales shall include:
   a. Weighing all greyhounds in and out.
   b. Posting of scale sheet of weights promptly after weighing.
   c. Preventing any greyhound from passing the scales or running with an overweight or an underweight of more than one and one-half pounds. The clerk of scales shall promptly notify the paddock judge, who will report to the stewards any infraction of the rules as to weight or weighing.
   d. Reporting all late scratches and weights on a bulletin board located in a place conspicuous to the wagering public.
2. The clerk of the scales shall report to the stewards any violations of weight rules or any attempt to alter specified weights.
3. All greyhounds shall be weighed in and weighed out with the muzzle, collar, and lead strap.
4. The clerk of scales shall keep a list of all greyhounds known as "weight losers" and he or she shall notify the presiding steward as to the weight loss before each race.

J. Paddock judge
1. Identification of greyhounds:
   a. It shall be the duty of the paddock judge to check all greyhounds for each race.
   b. No greyhound shall be permitted to start in a schooling or purse race that has not been fully identified and checked against the card index system of identification maintained by each permittee. The identification cards shall be filled in and completed by the paddock judge before greyhounds are entered for schooling or for a purse race.
   c. Each permittee shall keep and maintain a card index system of identification of each greyhound racing at the meeting. The cards shall show the names of the owner and trainer, breeding, weight, color, sex, and the characteristic markings, tattoos, and scars, and other identification features peculiar to the greyhound.
2. Under the supervision of the paddock judge, the kennel master shall unlock the kennels immediately before weigh-in time to see that the kennels are in perfect repair and that nothing has been deposited in any of the kennels for the greyhound's consumption. He or she shall see that the kennels are sprayed, disinfected, and kept in proper sanitary condition. He or she or his or her assistant must receive the greyhounds from the trainer, one at a time, see that the greyhounds are placed in their kennel, and remain on guard from that time until the greyhounds are removed for the last race.
3. As each greyhound is weighed in there shall be an identification tag attached to its collar indicating the number of the race in which the greyhound is entered and its post position. This tag shall not be removed until the greyhound has been weighed out and blanketed.
4. The paddock judge shall not allow anyone to weigh in a greyhound for racing unless he or she has in his or her possession a valid owner's, trainer's, or assistant trainer's license issued by the Department.
5. After the greyhounds are placed in the lockout kennels no person other than the kennel master, racing officials, person or persons approved by the Department, or designated representatives of the Department shall be allowed in or near the lockout kennels.
6. The paddock judge shall carefully compare the identification card with the greyhound while in the paddock before post time.
7. Before leaving the paddock for the starting box, every greyhound must be equipped with a regulation muzzle and blanket. The muzzles and blankets used shall be approved by the paddock judge and shall be carefully examined by him or her in the paddock before the greyhound leaves for the post.
8. The paddock judge shall keep on hand, ready for use, extra muzzles of all sizes, lead straps, and collars.
9. The paddock judge shall report all corrupt practices and irregularities to the stewards.

K. Timer
1. The timer shall accurately record the official time of each race, which shall be taken from the opening of the doors of the starting box. This position may be combined with that of steward.
2. Each permittee shall be required to install an automatic timing device approved by the Department. The timer shall use the time shown on the timing device as the official time of the race if he or she is satisfied that the timing device is functioning properly. Otherwise he or she shall use the time shown on the stopwatch which he or she shall operate. When the stopwatch time is used as the official time of the race, it shall be so announced to the public.

L. Chart writer
1. The chart writer shall compile the information necessary for a program which shall be printed for each racing day and shall contain the names of the greyhounds that are to run in each of the races for that day. These names shall appear in the order of their post positions, the said post positions to be designated by numerals placed at the left and in line with the names of the greyhounds in each race, which numerals shall also be prominently displayed on each greyhound.
2. All past performances as shown in the program shall be in order of the races or official schoolings held, the last performance appearing on the first line, etc.
3. Program or form sheet must also contain name, color, sex, date of whelping, breeding, established racing weight, number of starts in official races and number of times finishing first, second, and third, name of owner and trainer, distance of race, track record, and such other information as will enable the public to properly judge the greyhound's ability.
4. In case the name of a greyhound is changed, the new name, together with the former name, shall be published in the official entries and program until after the greyhound has started three times.

M. Veterinarians
1. There shall be two official veterinarians, approved by the Department and licensed to practice veterinary medicine in the state of Arizona. One veterinarian shall be employed by the permittee and one veterinarian shall be employed by the Department.
2. The Department veterinarian shall be in charge of all sample collection.
3. The track veterinarian shall be present during all official races and all official schooling races and shall observe each greyhound as it enters the lockout kennel, examine it when it enters the paddock prior to the race, and recommend to the stewards that any greyhound be scratched which he or she deems unsafe to race or physically unfit to produce a satisfactory effort in a race.

4. The track veterinarian shall place any greyhound deemed unsafe, unsound, or unfit on a suspension list which shall be posted in a conspicuous place available to all owners, trainers, and officials.
5. Once a greyhound has been placed on a suspension list, it may be allowed to race only after it has been removed from the list by the track veterinarian with the approval of the Department veterinarian.
6. The Department veterinarian shall inspect and report to the Department on each and every kennel where greyhounds are kenneled at the track of the permittee. These inspections shall be made at such times as the Department shall specify and the report filed with the Department shall cover the general physical condition of the dogs, sanitary conditions of the kennels, segregation of bitches in season, segregation of sick dog, the types of medicine found in use, and any other matters or conditions which he or she deems worthy of note.
7. The entry of any greyhound on the veterinarian's list may be accepted only after approval by the track and Department veterinarian and after three calendar days from the date placing of the greyhound on the veterinarian's list have elapsed.
8. Every veterinarian licensed by the Department shall keep a written record of their practice on the grounds of a permittee relating to greyhounds participating in racing.
   a. This record shall include:
      i. The name of the greyhound treated.
      ii. The nature of the greyhound's ailment.
      iii. The type of treatment prescribed and performed for the greyhounds.
      iv. The date and time of such treatment.
   b. This record shall be kept for practice engaged in at all licensed tracks.
   c. This record shall be produced without delay upon request of the stewards or the Department.
   d. Veterinarians engaged in private practice on tracks under the jurisdiction of the Department shall be licensed by both the Arizona State Board of Veterinarian Medical Examiners and the Department.
   e. Only veterinarians licensed by the Department shall administer to or prescribe for greyhounds on the premises of any permittee except in case of emergency.
   f. All new and experimental medications and drugs used on the grounds shall be approved by the Department, acting on the recommendation of the Department veterinarian.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsections (A) and (E) effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-309 recodified from R4-27-309 (Supp. 95-1). Amended effective August 7, 1996 (Supp. 96-3).

R19-2-310. Lead-outs

A. Owners, trainers, or attendants shall not be allowed to lead their greyhounds from the paddock to the starting box except in schooling races. The greyhounds shall be led from the paddock to the starting box by lead-outs provided by each permittee and licensed by the Department.
   1. Lead-outs shall be assigned to post position by the paddock judge or his or her designee by lot before the first race of each race program; a record thereof shall be maintained.
   2. Lead-outs shall be required to present a neat appearance and conduct themselves in an orderly manner and must be attired in clean uniforms provided by the permittee.
   3. The lead-out shall handle the greyhound in a humane manner, put the greyhound in its proper box before the race, and then retire to an assigned place.

B. Lead-outs are prohibited from holding any conversation with the public either in the paddock, en route to the starting post, or while returning to the paddock.

C. No lead-out shall be permitted to have any interest in the greyhounds racing for said permittee.

D. Lead-outs are prohibited from wagering on the result of any greyhound racing at the track to which they are assigned.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-310 recodified from R4-27-310 (Supp. 95-1).

R19-2-311. Prohibited Acts

Generally:
1. No licensee shall enter, cause, or permit to be entered or to start a greyhound which he or she knows or has reason to believe should be disqualified.
2. No veterinarian licensed to practice on a track under the jurisdiction of the Department shall own, lease, or train greyhounds racing at the track on which he or she practices.
3. No person shall participate in any unauthorized race on a track while a racing meeting is in progress.
4. No person shall offer or receive any money or other consideration for declaring any entry out of a purse or stakes race.
5. No person shall possess, within the grounds of any permittee, any electrical, mechanical, or other device, other than ordinary equipment, which may be used to affect the speed or racing condition of a greyhound. Such possession includes, but is not limited to, possession:
   a. On the person,
   b. In living or sleeping quarters,
   c. In an assigned kennel, feed room, or other area,
   d. In a motor vehicle or trailer.
6. No person other than a physician or veterinarian licensed by the Department may possess, within the grounds of any permittee, any foreign or prohibited substance, injectable vial, hypodermic needle, syringe, or any other instrument which might be used for injection, without written permission of the stewards. Such possession includes, but is not limited to, possession:
   a. On the person,
   b. In living or sleeping quarters,
   c. In an assigned kennel, feed room, or other area,
   d. In a motor vehicle or trailer.
7. No licensee listed in A.R.S. § 5-104 shall apply, inject, inhale, ingest, or in any way use any prohibited substance while on permittee grounds, unless, upon the request of a steward, a licensee can produce evidence that the possession or use of a prohibited substance is pursuant to a lawfully issued prescription.
8. No licensee or race track employee shall accept, either directly or indirectly, any bribe, gift, or gratuity in any form which is intended to or might influence the results of any race or the conduct of any racing meeting.
9. No licensee, while on the premises of the permittee, shall create a disturbance, be intoxicated, interfere with any racing operation, or act in an abusive or threatening manner to any racing official or other person.

10. No person other than a veterinarian licensed by the Department shall administer to or prescribe for greyhounds on the grounds of any permittee.
    a. Reports of any drugs or treatments prescribed or administered at the track shall be made to the Department in a manner it shall set forth.
    b. Notwithstanding the provisions of paragraph (10) of this Section, any veterinarian may treat a greyhound if an emergency involving the life or health of such greyhound exists.
11. Notwithstanding the provisions of subparagraph (a) of paragraph (16) of this Section, no person shall administer or cause to be administered to any greyhound entered in a race any foreign substance, internally or externally, in the 24-hour period prior to the scheduled post time for the first race of the day in which the greyhound is to run.
12. The Racing Commission has established permissible trace levels of the following foreign substances as defined by R19-2-302(18).
    a. The trace level of procaine shall not exceed six micrograms per milliliter in the urine of the greyhound.
    b. The trace level of barbiturates shall not exceed one microgram per milliliter in the urine of the greyhound.
13. No person shall run in a race a greyhound which is desensitized at the time of arrival at the paddock by applying cold, chemical, or mechanical freezing devices.
14. Any person licensed by the Department found guilty of using live rabbits, cats, or fowl in the training of racing greyhounds may be fined or suspended or both by the stewards, who shall report all such cases to the Department.
15. Any licensee who refuses to make payment for financial obligation incurred in connection with racing in this state may be subject to license suspension by the Department.
16. Test samples.
    a. Animal testing.
        i. Any greyhound in any race may be subjected by the order of a steward or Department veterinarian to urine, blood, or other tests for the purpose of determining the presence of any foreign substance.
        ii. Samples of urine, blood, or other test substances shall be taken by persons approved by the Department.
        iii. A steward may authorize the splitting of any sample.
        iv. The Department veterinarian may require blood or urine samples to be stored in a frozen state for future analysis.
        v. The owner, trainer, or their representative may be present at all times during the taking and sealing of such tests and samples.
        vi. Documents evidencing the procedure shall be signed by the owner, trainer, or assistant trainer.
    b. Human testing.
        i. As set forth in A.R.S. § 5-104(C) and paragraph 7 of this subsection, licensee shall immediately submit to blood, urine, or other tests ordered by the stewards, if the stewards have reason to believe said licensee is under the influence of or in possession of any prohibited substance or has consumed alcohol in violation of paragraph (9) of this subsection.
        ii. A test sample shall be taken in the presence of a steward or the steward's designee, submitted in a container furnished by the Department and immediately sealed by the steward or steward's designee in the presence of the licensee being tested.
        iii. The container shall be marked with the following items:
            (1) Sample identification number;
            (2) Time, date, and location where the sample was given; and
            (3) The signature of Department personnel sealing the container.
        iv. The container shall be submitted to a Department-approved laboratory for analysis of the sample, in order to determine the presence of alcohol or any substance.
        v. If laboratory analysis indicates the presence of any prohibited substance in the tested licensee's sample, for which no law fully issued prescription exists, said licensee may be subject to license suspension or revocation or civil penalties, as set forth in R19-2-309(E)(3)(f) and A.R.S. § 5-108.05(A).
        vi. Test results and information obtained during the testing process shall be accessible only to members of the Commission, the Director or designees of the Director, and the tested licensee and shall be kept in a locked, secured area of the Department office.
        vii. Compliance with these rules shall be prima facie evidence that the chain of custody of the test samples is secure, and the results of such tests shall be admissible in any administrative procedure of the Department or Commission.
17. The trainer, assistant trainer, and any other person who is charged with the custody and care of a greyhound are required to protect and guard the greyhound against the administration, either internally or externally, of any foreign substance. A positive test indicating the presence of any foreign substance (except as set forth in paragraph (12) of this subsection) shall give rise to a presumption that the persons referred to in this paragraph have failed to meet the duties imposed upon them.
18. No person shall interfere in any manner with the collection or procedures conducted under this subsection.
19. The owner of any greyhound disqualified in a race because of an infraction of these rules shall forfeit and return any portion of the purse or stakes and any trophy received from such race and shall forfeit any entry or subscription money.
    a. Any winnings which are forfeited pursuant to this paragraph shall be redistributed among the remaining entries in the race entitled thereto.
    b. Any greyhound shall be disqualified and may be declared unplaced for every purpose except parimutuel wagering if the chemical analysis performed pursuant to subparagraph (a) of paragraph (16) of this Section indicates the presence of any foreign substance.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective November 30, 1988 (Supp. 88-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-311 recodified from R4-27-311 (Supp. 95-1). Citations corrected in subsections 12 and 17 at the request of the

Arizona Department of Racing (Supp. 96-4).

R19-2-312. Registration and Transfers

A. The National Greyhound Association of Abilene, Kansas, shall be recognized as the official breeding registry of all greyhounds. The Grey hound Publications, Inc., Information System shall be recognized as the official record keeping agency of all greyhound performances and shall maintain the past performance lines on every greyhound raced at an official track licensed by a racing jurisdiction. The Department may certify any greyhound whose act of registration with the approved registry is attributable to arbitrary, discriminatory, or other unreasonable action or inaction on the part of such agencies.

B. If for any reason the Greyhound Information System ceases operation, the kennel owner will be solely responsible for furnishing the racing secretary with the last six past performance lines when applicable.

C. The registry and record-keeping agency shall be self-funding, insofar as is practicable, and shall be authorized to charge reasonable fees for their services to attain this objective.

D. A greyhound shall not be entered for racing or schooling at any official track unless it has been tattooed and registered in the NGA stud book and unless the last six performance lines, if applicable, and the racing history of the greyhound, are made available to the racing secretary from the Greyhound Information System.

E. The NGA breeding registry shall furnish the necessary and proper information to the Greyhound Information System when such grey hounds are registered and named. A reasonable fee per start shall be deducted form the weekly purses by the track and paid to the Grey hound Information System.

F. Every official track shall submit a copy of the official chart of each of its races to the Greyhound Information System.

G. The Department shall have access at all times to the NGA Breeding Registry and transfer files and to the Greyhound Publications, Inc., Information System.

H. In case of emergency, authority to sign declarations of partnerships shall be given to the racing secretary by a telegram promptly confirmed in writing.

I. The part owner of any greyhound cannot assign his or her share or any part of it without the written consent of the other partners, the said consent to be filed with the racing secretary.

J. A certificate of registration for each greyhound shall be filed with the racing secretary at the race track where said greyhound is to be schooled, entered, or raced.

K. All certificates of registration shall be available at all times for inspection by the stewards.

L. All transfer of any title to, leasehold in, or other interest in greyhounds schooled, entered, or racing at any track under the jurisdiction of the Department shall be registered and recorded with the National Greyhound Association of Abilene, Kansas.

M. No title, leasehold, or other interest in any greyhound shall be recognized by the Department until such title, leasehold, or other interest shall be evidenced by written instrument duly filed with and recorded by the National Greyhound Association of Abilene, Kansas. Certified copies thereof shall be filed with the Department and the racing secretary at the race track where said greyhound is to be schooled, entered, or raced.

N. Whenever a greyhound is sold or transferred, or any interest in a greyhound is sold or transferred, during a meeting and after the greyhound has been registered in for the meeting, a copy of the bill of sale shall be filed with the racing secretary and forwarded by him or her to the Department.

O. When a greyhound is sold with its engagements, or any part of them, the seller cannot strike it out of any such engagements. In all cases of sale by private treaty, the written acknowledgment of both parties that the greyhound was sold with the engagements is necessary to entitle the seller or buyer to the benefit of this rule. If certain engagements are specified, only those are sold with the greyhound. When the greyhound is sold by public auction, the advertised conditions of the sale are sufficient evidence, and if certain engagements are specified, only those are sold with the greyhound.

P. If a greyhound is sold to a disqualified person, said greyhound's racing engagements shall be void as of the date of sale.

Q. In case of transfer of a greyhound with its engagements, such greyhound shall not be eligible to start in any stakes, unless at the usual time of the running of the stakes or prior thereto the transfer of the greyhound and its engagements shall be exhibited, when demanded, to the racing secretary.

R. No transfer of a greyhound or engagement may be made for the purpose of avoiding disqualification. The person(s) making or receiving such transfer may have a civil penalty invoked or ruled off.

S. All partnerships shall be registered with the Department, and the name and address of every person having interest in a greyhound, the relative proportions of such interest, and the terms of any sales with contingencies or arrangements must be signed by all parties or by their authorized agent and shall be filed with the racing secretary. This copy shall be transmitted immediately before the opening of the racing meeting to the office of the Department. All persons and each of them shall be jointly and severally liable for all stakes and forfeits.

T. All statements of partnerships, of sales with contingencies, or of arrangements, shall declare to whom winnings are payable, in whose name the greyhound shall run, and with whom the power of entry or declaration of forfeit rests, and a copy of the information shall be transmitted immediately to the Department.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-312 recodified from R4-27-312 (Supp. 95-1).

R19-2-313. Leases

A. The lessee of a greyhound shall file a copy of the National Greyhound Association lease agreement with the Department. The lease agreement shall include:
1. The name of the greyhound,
2. The name and address of the owner,
3. The name and address of the lessee,
4. The kennel name, if any, of each party,
5. The terms of the lease.

B. No corporation having more than ten stockholders who are the registered or beneficial owners of stock or membership in the corporation shall lease any greyhound owned or controlled by it to any person or partnership for racing purposes.

C. No owner's license shall be granted to a lessee of any corporation referred to in subsection (B) of this Section.

D. A corporation which leases greyhounds for racing purposes in this state, its stockholders, and its members shall file with the Department, upon request, a report containing such information as the Department may specify. More than one owner may be indicated on the program by the use of the name of one owner and the phrase "et al".

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-313 recodified from R4-27-313 (Supp. 95-1).

R19-2-314. Weights and Weighing

A. All greyhounds shall be weighed in not less than one hour before the time of the first race of the day.

B. Before any greyhound is allowed to school or to race at any track, the owner or trainer shall establish the racing weight with the clerk of scales of each greyhound he or she enters.

C. At weighing-in time, should there be a variation of more than one and one-half pounds either way from the greyhound's established weight, the stewards shall order said greyhound scratched.

D. At weighing-out time, if a greyhound loses weight in excess of two pounds while in the lockout kennels, the stewards shall order said greyhound scratched. However, upon opinion from the veterinarian that such loss of weight while in the lockout kennels does not impair the racing condition of the greyhound, the stewards may allow said greyhound to race.

E. The weight regulations provided in subsections (A), (B), (C) and (D) above shall be printed in the daily program.

F. The established racing weight may be changed from time to time on written request of the owner or trainer and by consent of the stewards, provided such change is made four calendar days before the greyhound is allowed to race at the new weight.

1. All greyhounds having established weight change of more than one pound shall be schooled at least one or more times at the discretion of the stewards at the new established weight before being eligible for starting.
2. Greyhounds that have not raced or schooled officially for a period of three weeks shall be allowed to establish new racing weight with the consent of the stewards and shall be schooled officially immediately upon receipt of said consent.

G. The stewards shall have the privilege of weighing a greyhound entered in a race at any period from the time it enters the lockout kennel until post time.

H. Immediately after being weighed in, the greyhounds shall be placed in lockout kennels under the supervision of the paddock judge and no owner or other person excepting the paddock judge, veterinarian, kennel master, clerk of scales, lead-out, steward, or Department representative shall be allowed in or near the lockout kennels.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-314 recodified from R4-27-314 (Supp. 95-1).

R19-2-315. Schooling

A. All official schooling races shall be at a distance not less than the distance nearest to 5/16 mile in use at the track.

B. Each official schooling race shall consist of at least six greyhounds. However, if this condition creates a hardship, less than six may be schooled with the permission of the stewards.

C. No hand schooling will be considered official.

D. Any greyhound that has not raced for a period of ten racing days or more shall be officially schooled at least once at its racing weight before being eligible for entry.

E. All greyhounds in official schooling races shall be raced at their established racing weight and shall be started from the box wearing blankets.

F. Any owner, trainer, or authorized agent licensed by the Department who has greyhounds under his or her care and management that are booked to race on tracks licensed by the Commission, and who permits said greyhounds to be officially schooled on any track in Arizona or elsewhere which is not approved by the Commission during these bookings, shall be subject to the immediate revocation of his or her license.

G. Any greyhound may be ordered on the official schooling list by the stewards at any time for good cause and shall be schooled officially and satisfactorily before being allowed to enter a race.

H. Each permittee shall provide a photo finish camera approved by the Department to be in operation at all official schooling races.

I. Each permittee shall make provision for an adequate number of official schooling races, to be run both before and during the meeting, to allow for the qualification of older greyhounds. Each permittee shall make provision for an adequate number of official schooling races for the training of pups. Each pup never having started shall be entitled to run its first two schooling races out of a box in a four-dog race.

J. Any greyhound that fails to meet the qualifying time as established shall not be permitted to start other than in futurity or stakes races.

K. Official schooling shall be maintained throughout the meeting up to at least one week prior to the closing date thereof.

L. Distance of official schooling races and number of greyhounds shall appear on the Form chart.

M. All greyhounds running in a hurdle race shall be officially schooled over the hurdles.

N. Only two official schooling lines shall be required for greyhounds in futurity races.

O. No greyhound on the veterinarian's list or stewards' suspension list shall school officially except as set forth in R19-2-317(E)(6)

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-315 recodified from R4-27-315 (Supp. 95-1).

R19-2-316. Entries and Subscriptions

A. Condition for entry

1. No greyhound shall be entered in a race unless the full name of every person having an ownership in a greyhound or accepting the trainer's percentage or having any interest in its winnings is registered with the racing secretary before it starts at any meeting. Every change in such ownership or interest thereafter made during that meeting shall be registered with the racing secretary; a copy of this shall be delivered promptly to the Department by the racing secretary of the track where the greyhound is racing.
2. No greyhound shall be entered in a race unless the conditions set forth in R19-2-313 pertaining to registration are met.
3. No greyhound shall be permitted to enter or to start unless it is conditioned by a licensed trainer or owner-trainer.
4. No greyhound shall enter or start in a race unless it has been fully identified and tattooed. All persons who participate in any manner in establishing the identity of a greyhound, including the breeder, owner, trainer, and identifier, are responsible for the accuracy of the information they provide.
5. The stewards shall have the right to call on any person in whose name a greyhound is entered to produce proof that the greyhound entered is not the property either wholly or in part of any person who is disqualified, or to produce proof of the extent of his or her interest or property in the greyhound. In default of such proof being given to their satisfaction, the stewards may declare the greyhound out of the race.
6. Each permittee shall establish a qualifying time for its 3/8- and 5/16-mile races. The permittee shall notify the

Department at least three days before the first day of official racing of the qualifying time established and specify time which, while in effect, shall be continuously posted on the notice board at the track and approved by the stewards.

a. Any change in the qualifying time established during the course of a meeting shall be made only with the approval of the Department.
b. Any greyhound that fails to meet the qualifying time as established shall not be permitted to start other than in futurity or stakes races.

7. A greyhound shall not be eligible to enter or race if:
   a. The greyhound is ruled off or suspended.
   b. The owner or trainer is ruled off the track or suspended until said greyhound is made eligible either by reinstatement of its owner or trainer or a transfer or bona fide sale to an ownership or trainer acceptable to the stewards.
   c. The greyhound is on the schooling list or on the veterinarian's list.
   d. The greyhound is under the age of 12 months.
8. A greyhound or kennel whose entry is ordered refused at any recognized meeting because of inconsistent racing shall not be permitted to race on any track where these rules are in force during the continuance of such ruling.
9. At least four past performances of a greyhound shall be available for the program.
10. Owners shall be expected to retire a greyhound off form. Failure to do so shall constitute grounds for suspension of said greyhound.
11. Greyhounds that have been retired for conditions or worming shall be brought back to racing weight before being entered.
12. All greyhounds that have not raced in three weeks or more shall be allowed to establish new racing weight with the consent of the stewards.
13. A greyhound in season shall not be permitted on the track nor shall she be eligible to school officially or to race if in milk.

B. Entry

1. The racing secretary is the person authorized to receive entries and declarations.
2. Every entry in a race shall be in the name of the registered owner or in the kennel name.
3. A greyhound shall not be qualified to run in any race unless it has been and continues to be duly entered for the same.
4. Any greyhound eligible at the time of entry shall continue to be qualified, except in an overnight event in which it shall be eligible at the time of the start.
5. A kennel owner, trainer, or their authorized agent may enter a greyhound in person, by telephone, by telegram, or in writing.
6. A greyhound entered for a purse shall be a "starting greyhound" unless it has been declared out by the stewards.
7. If any entry from any person or of any greyhound that stands suspended or expelled is received, such entry shall be void and the money paid for such entry, if any, shall be refunded. Any money or prize won under said entry shall be returned.
   a. The entry form to a stakes race shall include the full name and post office address of the person making the entry.
   b. Any person having an interest in a greyhound less than the interest or property of any other person is not entitled to assume any of the rights or duties of an owner as provided by these rules, including the right of entry and declaration.
   c. Joint subscriptions and entries may be made by any one or more of the owners. However, all partners and each of them shall be jointly and severally liable for all fees and forfeits.
   d. Nominations for stakes races received and postmarked before midnight of the day of closing shall be valid if received 24 hours in advance of closing of overnight entries.
   e. If a miscarriage of any entry of declaration in a stakes race is alleged, satisfactory proof that it was mailed or telegraphed shall be presented within a reasonable time or it shall be deemed not received.
8. If any entry from any person or of any greyhound that stands suspended or expelled is received, such entry shall be void and the money paid for such entry, if any, shall be refunded. Any money or prize won under said entry shall be returned.

C. Closing

1. Entries for purse races shall close at the time advertised and no entry shall be received after that time. If a race fails to fill, additional time may be granted by the stewards.
2. In the absence of notice to the contrary by the permittee, entries and declarations for stakes which close during or on the eve of a racing meeting close at the office of the racing secretary who shall make provisions therefor. Closing sweepstakes at all other times shall be at the office of the permittee.
3. When the time for closing is designated, entries and declarations for stakes cannot be received thereafter.
4. A greyhound shall not become a starter in a stakes race unless it has passed the entry box on the day on which entries for the stakes race are taken.
5. There should be at least six separate owners in any given race and no owner or trainer shall have more than two greyhounds in said race without the expressed permission of the Department. The requirements of this paragraph are applicable to all greyhound races, including all so-called short field races of five or fewer greyhounds. Prior approval of the Department must first be secured before conducting any race where five or fewer greyhounds are entered.
6. In the event the number of entries to any purse race is in excess of the number of greyhounds that may, because of track limitations, be permitted to start, the starters for the race shall be determined by lot in the presence of those making entries.
7. The post position of greyhounds in starting shall be assigned by lot or drawing supervised by the stewards and the racing secretary, at a time and place properly posted on the trainer's bulletin board, at least one day previous to the running of the races, so that any and all owners, trainers, or authorized agents interested may be present.
   a. No alteration shall be made in any entry after closing of entries, but an error may be corrected.
   b. Every greyhound entered for a purse shall be a starter unless it is declared or scratched.
8. The permittee shall have the right to withdraw or to change any unclosed race.
9. Entries which have closed shall be compiled without delay by the racing secretary and conspicuously posted.
10. The holder of a claim, whether it be a mortgage bill or sale or lien of any kind against a greyhound, shall be

required to file the same with the racing secretary previous to the time the greyhound is entered. Failure to do so shall forfeit the holder's rights in the winnings of the greyhound previous to the time his or her claim is properly filed.

D. Fees

1. The entrance to a purse race shall be free unless otherwise stipulated in the conditions of the race. If the conditions require an entrance fee, the fee must accompany the entry.
2. The person entering a greyhound is liable for nominating, sustaining, and starting fees. Neither the subscriber nor such subscriber's transferee shall receive any refund of such fees because of the death or withdrawal of a greyhound or because of a mistake in its entry if the greyhound is eligible, except as provided in paragraph (3) of this subsection.
3. Entrance money to a purse race that is run is not refundable either for failure of a greyhound to start or for death of a greyhound unless otherwise provided in the conditions of a race.
4. The entrance money, starting, and subscription fees in every race shall be distributed as provided in the conditions of the race. If a race is not run, all stakes or entrance money shall be refunded.
5. No entry, subscription, or right of entry under it shall become void on the death of the nominator or subscriber.
6. A greyhound shall not become a starter for a race unless there has been duly paid any stake or entrance money payable in respect to that race.
7. A person entering a greyhound thereby becomes liable for the entrance money or stake.
8. An entry of a greyhound in a sweepstakes is a subscription to the sweepstakes, and the subscriber is liable for stake and forfeit; should he or she transfer the entry, he or she is liable only in case of default to the transferee. Similarly, the seller of a greyhound with engagements is liable for stake or forfeit if the engagement is not kept.
   a. When a person is prevented by these rules from entering or starting a greyhound for any race without paying arrears for which such person would not otherwise be liable, such person may, by paying same, enter or start the greyhound and have the arrears placed on the forfeit list as due to such person.
   b. If a seller of a greyhound with engagements is compelled to pay arrears through the purchaser's default, such seller may place the amount of the forfeit list as due from the purchaser to the seller. This rule shall also apply in the transfer of entries when the transferee defaults.
   c. The racing secretary, with the approval of the stewards, shall have full authority to waive the obligations incurred by this Section according to the circumstances of the case.
   d. If the racing secretary should allow a greyhound to start in a race without its entrance money or stake having been paid, such racing secretary shall be liable for it.
9. Any entry in a sweepstakes is a subscription and cannot be withdrawn.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-316 recodified from R4-27-316 (Supp. 95-1).

R19-2-317. Rules of the Race

A. Prerace activity

1. All greyhounds shall race under their registered owner's name as shown on their registration papers or upon Department approval.
2. All races shall be off at a regular interval. Post times will be based upon the number of races run daily. The intervals are to be set by the permittee with the approval of the stewards.
3. All greyhounds shall be identified and exhibited in the paddock before post time of the race in which they are entered.
4. All greyhounds shall wear the regulation muzzle and blanket while racing. Muzzle and blankets shall be carefully examined in the paddock by the paddock judge before the greyhounds leave for the post and shall again be examined before the stewards at the stewards' stand and by the starter at the starting box.
5. After the greyhounds have entered the track, not more than 15 minutes shall be consumed in the parade of the greyhounds to the post, unless further delay is unavoidable.
6. After the greyhounds leave the paddock on their way to the starting point, and until the stewards signal the start of the race, all persons except the designated licensees shall be excluded from the course.
7. When a greyhound is injured by any accident after weigh-in, it may be excused by the stewards, on the advice of the track veterinarian and shall not be considered to have started in the race.

B. Races

1. No race shall be called official unless the lure is in advance of the greyhounds at all times during the race; if at any time during the race any greyhound or greyhounds catch or pass the lure, the stewards shall declare it "no race" and all monies shall be refunded.
2. The stewards shall closely observe the operation of the lure and hold the lure operator to strict accountability for any inconsistency of operation. The lure shall be kept at a reasonable distance in advance of the greyhounds.
3. If a greyhound dwells in the box when the doors of the starting box open at the start, there shall be no refund.
4. If a greyhound bolts the course, runs in the opposite direction, or does not run the entire prescribed distance for the race, it shall forfeit all rights in the race and no matter where it finished, the stewards shall declare the finish of the race the same as if said greyhound were not a contender. However, for the purpose of the rule, said greyhound shall be considered a starter.
5. If a greyhound bolts the course or runs in the opposite direction during the running of the race and in so doing, in the opinion of the stewards, alters the outcome of the race, the stewards shall declare it "no race" and all monies wagered shall be refunded.
6. If it appears that a greyhound may interfere with the running of the race because of failure to leave the box, because of accident, or for any other reason, any person under the supervision of the stewards stationed around the track may remove said greyhound from the track. However, for the purpose of the rule, said greyhound shall be considered a starter.
7. If a race is marred by jams, spills, or racing circumstances other than accident to the machinery and outside interference while a race is being run, and three or more greyhounds finish, the stewards shall declare the race finished, but if less than three greyhounds finish, the

stewards shall declare it "no race" and all monies shall be refunded.

8. Each permittee shall provide a camera approved by the Department for the purpose of taking photographs of all finishes of all races including schooling races.
9. All greyhounds ruled off for fighting or quitting are suspended for life on any track operating under the jurisdiction of the Commission.
10. Any act of the owner, trainer, or handler of a greyhound which would tend to prevent the greyhound from running its best and winning if possible shall mean suspension of all persons found guilty of complicity.

C. Dead heats

1. When a race results in a dead heat, the heat shall not be run off. When two greyhounds run a dead heat for first place, all prizes to which the first and second greyhounds would have been entitled shall be divided equally between them; this applies in dividing prizes whatever the number of greyhounds running a dead heat and whatever places for which the dead heat is run.
2. Each greyhound that runs a dead heat for a race or place shall be deemed a winner of that race or place and shall be liable as such winner to any penalty attaching to the same.
3. If the dividing owners cannot agree as to which of them is to have a cup or other prize which cannot be divided, the question shall be determined by lot.

D. Winnings

1. Winnings shall include all prizes up to the time appointed for the start, shall apply to all races in any country, and shall embrace walking over or receiving forfeit, but not second and third money, or the value of any prize not of money or not paid in money. Winnings during the year shall be reckoned from January 1 preceding.
2. Winner of a certain sum shall mean winner of a single race of that value unless otherwise expressed in the conditions.
3. In estimating the net value of a race to the winner, all sums contributed by its owner or nominator shall be deducted from the amount it won.
4. Winners or losers of hurdle races shall not be considered winners or losers on the flat and vice versa.

E. Declarations and scratches

1. Declarations in purse races shall be made by the kennel owner, trainer, or authorized agent to the racing secretary or his or her assistant at least one-half hour before the time designated for the drawing of post positions on the day previous to the day on which the greyhound is to race, or at such time as the racing secretary may appoint.
2. Declarations in sweepstakes shall be made in the same manner as provided for making entries therein to the racing secretary, who shall record the day and hour of receipt and give early publicity thereto.
3. A declaration in a stakes race shall be made in writing by the kennel owner or trainer of a greyhound or by the kennel owner's authorized agent.
4. The declaration of a greyhound out of an engagement is irrevocable.
5. Any greyhound which is withdrawn from a race after the overnight entries are finally closed shall be deemed a scratch. Such a greyhound shall lose all preference accrued up to that date unless excused by the stewards.
   a. To scratch a greyhound entered in a race, sufficient cause shall be given to satisfy the stewards, and the cause shall be reported immediately.
   b. Any scratches that occur that are the result of a violation of a racing rule shall carry a penalty and/or a suspension of said grey hound for a period of six racing days. Scratches for other causes shall be disciplined at the discretion of the stewards.
   c. However, if any owner or trainer fails to have the greyhound entered at the track at the appointed time for weighing in, and as a result said greyhound is scratched, the stewards shall impose a forfeiture and may suspend or fine the person responsible.
   d. If three or more greyhounds are withdrawn or scratched in any one race, the stewards may cancel said race.
   e. The stewards may scratch a greyhound entered in a race for sufficient cause.
6. All greyhounds scratched from a race because of overweight or underweight shall receive a seven-day suspension and shall school back before starting in an official race. Greyhounds so scratched may school during their suspension.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-317 recodified from R4-27-317 (Supp. 95-1).

R19-2-318. Hurdle Races

A. The jumps or hurdles used by any permittee shall be of a type approved by the Department and must extend from the inside rail across the racing strip to the opposite rail.

B. The jumps or hurdles used by any permittee shall be not less than 30 inches high and shall be constructed of a material or substance not injurious to the greyhounds participating.

C. The lure used in a hurdle race shall be of a type approved by the Department and shall be operated in a consistent manner by the lure operator.

D. Greyhounds running in a hurdle race shall jump or hurdle not less than four jumps or hurdles. No jump or hurdle shall be placed less than 25 yards from the entrance or exit to a turn.

E. Greyhounds running in a hurdle race shall be properly schooled in hurdle racing in the presence of a steward at least two times at the track where they are to race and shall, in the opinion of a steward, be sufficiently experienced before they can be entered.

F. If a greyhound fails to go over all hurdles in a race it shall forfeit all rights in the race, and no matter where the greyhound finished, the stewards shall declare the race the same as if the greyhound were not a contender. No refund shall be made for pari-mutuel tickets purchased on such greyhound. Touching the hurdles is permissible and shall not disqualify the greyhound.

G. Greyhounds who have been running in hurdle races on any track in Arizona during the calendar year must be schooled at least twice on the flat before being entered in a race on the flat.

H. All hurdle racing over courses established by a permittee shall be in conformity with the rules of greyhound racing as adopted by the Commission where such rules consistently apply.

I. Winners or losers of hurdle races shall not be considered winners or losers on the flat and vice versa.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-318 recodified from R4-27-318 (Supp. 95-1).

R19-2-319. Arizona Bred Eligibility and Breeders' Award Payments

A. A breeder shall file a notarized certificate affirming eligibility under A.R.S. § 5-113(F) with the Department. The certificate shall include name, color, and sex of the animal; name of the sire; name of the female; date and location of whelping; National Greyhound Association registration number; left and right ear identification numbers; name, address, and telephone number of the breeder; a statement that the animal is eligible pursuant to A.R.S. § 5-113(F) and that the person shown as the breeder was the owner of the female at the time of whelping; and such other information as may be required by the Department to determine eligibility and shall be signed by the breeder. The breeder shall submit a copy of the National Greyhound Association registration papers with the certificate.

1. Certification is deemed to occur upon the Department's receipt of the completed certificate.
2. The greyhound shall be certified by the Department at the time of the win to be eligible for an award.

B. A permittee shall recognize any greyhound for which there is an Arizona Bred Certificate on file with the Department as an Arizona bred greyhound.

C. Breeders' awards are not to be paid on nominating, sustaining, or starting fees.

D. The Department shall calculate and pay breeders' awards to eligible breeders.

1. Definitions.
   a. "Quarterly Breeders' Award" means an amount of money based on the quarterly breeders' award payment factor determined by the Department each fiscal year by October 30.
   b. "Substitute Breeders' Award" means an amount of money based on a substitute payment factor because of the lack of sufficient money to pay conventional Quarterly Breeders' Awards.
   c. "Supplemental Breeders' Award" means an amount of money that corrects a shortfall between conventional Quarterly Breeders' Awards and Substitute Breeders' Awards.
   d. "End-of-year Bonus Award" means an amount of money that may be paid to breeders from available monies that remain in the breeders' award fund after payment of Quarterly Breeders' Awards, Substitute Breeders' Awards and Supplemental Breeders' Awards.
2. The Department shall pay awards at the end of each fiscal year quarter, provided that the total amount of the awards payments does not exceed the total amount of money available in the fund less the amount required to be set aside for contingent liabilities in subsection (D)(8).
3. Quarterly Breeders' Awards. Before October 30 of each year, the Department shall determine a quarterly breeders' award payment factor that will be applied during the entire fiscal year. The payment factor determined by the Department is not subject to appeal.
   a. The Department shall evaluate anticipated revenues for the breeders' award fund and anticipated purses for eligible Arizona-bred animals and set the payment factor at a level that permits recipients of quarterly breeders' awards to receive awards throughout the fiscal year based on the same payment factor.
   b. The Department shall notify representatives of each breeders' association of the quarterly breeders' award payment factor in writing before October 30 of each year.
   c. The Department shall calculate quarterly breeders' awards by multiplying the amount of each purse won by an eligible animal during that quarter by the quarterly breeders' award payment factor established for the fiscal year.
   d. The Department shall make quarterly breeders' awards not later than 30 days after the end of each quarter, unless full quarterly breeders' awards cannot be made due to the lack of available money in the fund.
4. Substitute Breeders' Awards. The Department shall make substitute breeders' awards if there are sufficient monies in the fund to allow for an award but not enough monies to provide for full payments of quarterly breeders' awards based on the quarterly breeders' award payment factor.
   a. The Department shall determine the substitute payment factor by dividing the total amount of monies in the Arizona breeders' award fund at the end of the quarter less the amount required to be set aside for contingent liabilities in subsection (D)(8) by the total amount of purses won by eligible Arizona-bred animals during that quarter.
   b. The Department shall calculate substitute breeders' awards by multiplying the amount of each purse won by an eligible animal during that quarter by the substitute payment factor for that quarter.
5. End-of-year bonus pool. After payment of all quarterly breeders' awards and any substitute breeders' awards has been calculated, the Department shall determine the amount of monies remaining in the fund. The end-of-year-bonus pool is the amount of monies remaining in the Arizona breeders' award fund after the payment of all quarterly breeders' awards for the fiscal year less the amount required to be set aside for contingent liabilities in subsection (D)(8).
6. Supplemental Breeders Awards. The Department shall first pay any monies in the end-of-year bonus pool in the form of supplemental breeders awards to recipients of substitute breeders' awards.
   a. The Department shall pay supplemental breeders' awards in an amount equal to the difference between the substitute breeders' award and the quarterly breeders' award the breeder would have received if there had been enough in the fund to pay an award based on the quarterly award payment factor.
   b. In the event the end-of-year bonus pool cannot pay supplemental breeders' awards to make up for the shortfall to all substitute breeders' award recipients, the Department shall pay supplemental breeders' awards to all breeders eligible to receive a supplemental breeders' award on a pro-rata basis.
   c. A breeder is eligible to receive a supplemental breeders' award from the end-of-year bonus pool only if the breeder received a substitute breeders' award during that fiscal year.
   d. The Department shall not make supplemental breeders' awards if all eligible breeders received quarterly breeders' awards during the fiscal year.
7. End-of-year Bonus Awards. The Department shall pay end-of-year bonus awards if monies remain in the end-of-year bonus pool following any supplemental payments.
   a. The Department shall determine an end-of-year bonus payment factor by dividing the monies in the end-of-year bonus pool by the total amount of purses won by an eligible animal during the fiscal year.

b. The Department shall calculate end-of-year bonus awards by multiplying the amount of each purse won by an eligible animal by the bonus payment factor.

8. Contingent liabilities. The Department shall retain $10,000 in the Breeders' Award fund for contingent liabilities.
9. The Department shall not make quarterly breeders' awards, substitute breeders' awards, supplemental breeders' awards or end-of-year bonus breeders' awards if the total amount available for distribution is less than $10,000. In the event the Department does not pay an award because less than $10,000 is available for distribution, the Department shall carry forward the amount in the fund for payment of awards when the Department next calculates awards.
10. Appeal of Director's Rulings
    a. The Director shall make the final decision concerning a breeders' award.
    b. The Department shall give written notice of the decision to an applicant by mailing it to the address of record filed with the Department.
    c. After service of the Director's decision, an aggrieved party may obtain a hearing under A.R.S. §§ 41-1092.03 through 41-1092.11.
    d. The aggrieved party shall file a notice of appeal with the Department within 30 days after receiving the notice prescribed in R19-2-319(D)(10)(b).
    e. The Department shall notify the Office of Administrative Hearings, which shall schedule and conduct the hearing.

E. The permittees shall submit to the Department an Arizona Breeders' Award Report in the form prescribed by the Department. The report shall include name of the animal, name of the breeder, date of win, win purse amount, type of race, name of track, and such other information as may be required by the Department to calculate awards.

F. The Arizona Thoroughbred Breeder's Association, Arizona Quarter Racing Association, Arizona Greyhound Breeder's Association and such other associations as may represent breeders in this state may assist the Department in periodic reviews of eligibility lists and may provide such other assistance in administering the fund as may be required by the Department.

G. At least every other 3 years, the Commission shall select a committee, consisting of representatives of each breeders' association and the Department, which shall review this rule and submit written recommendations to the Commission.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended subsection (A) effective August 21, 1985 (Supp. 85-4). Amended subsection (A) and added subsections (D) through (G) effective August 13, 1986 (Supp. 86-4). Amended subsection (D) effective February 19, 1987 (Supp. 87-1). Amended effective March 20, 1990 (Supp. 90-1). R19-2-319 recodified from R4-27-319 (Supp. 95-1). Amended effective January 10, 1997 (Supp. 97-1).

R19-2-320. Objections

A. Every objection shall be made by an owner or his or her authorized agent, by a trainer of some other greyhound engaged in the same race, or by the officials of the course. Such objection shall be made to the stewards, who may require that the objection be made in writing with a copy thereof sent immediately to the Director.

B. The stewards may require a cash deposit of $200 to cover costs and expenses in determining an objection. The deposit posted herein may be forfeited if the objection should prove to be without foundation.

C. Any objection which cannot be decided by the stewards during the meeting shall be made in writing and lodged with the Director.

D. Any objection, unless otherwise provided, shall be made 72 hours after the race is run and shall be determined by the stewards.

E. Any objection of a greyhound pertaining to any matter occurring in a race, except as otherwise provided, shall be made before the official numbers of the greyhounds' place in the race are posted on the odds board.

F. Any objections to a greyhound that has run in a race on the grounds that it was not trained by a licensed trainer, or that the names of all those having ownership in it or an interest in its winnings have not been registered with the secretary, shall be made not later than the day after that upon which the race was run.

G. Any objection on the grounds of fraudulent or purposeful misstatement or omission in the entry under which a greyhound has run, or on the grounds that the greyhound which ran was not the greyhound it was represented to be in the entry or at the time of the race, may be received any time within three days after the race.

H. Any objection to a decision of the clerk of the scales shall be made before the greyhounds leave the paddock for the start of the race.

I. Pending the determination of an objection, any money or prize which the greyhound objected to may have won, or may win in the race, shall be withheld until the objection is determined, and any sum payable to the owner of the greyhound objected to shall be held for the person who may be determined to be entitled to it.

J. Pending the disposition by the stewards, Director, or Commission of any question, both the greyhound which finished first and any grey hound which claimed to be the winner shall be liable to all penalties attaching to the winner of that race until the matter is decided.

K. If an objection to a greyhound which has won or which has been placed in a race is declared valid, that greyhound is disqualified, and the other greyhounds in the race are entitled to place in the order in which they finished. The purses shall be redistributed.

L. No person shall lodge an unsubstantiated objection with the stewards.

M. If all the greyhounds in the race have run at wrong weights, or over a wrong course or distance, and objection is made before the official confirmation of the placing of the greyhound in the race, the stewards shall declare it "no race".

N. Permission of the stewards is necessary before an objection may be withdrawn.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-320 recodified from R4-27-320 (Supp. 95-1).

R19-2-321. Repealed

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended by adding subsection (O) effective September 17, 1984. Amended subsection (D) paragraph (6) effective October 18, 1984 (Supp. 84-5). Amended by adding subsection (P) effective April 4, 1985 (Supp. 85-2). Amended subsection (N) effective November 29, 1985

(Supp. 85-6). Amended subsection (P) paragraph (19) effective June 6, 1986 (Supp. 86-3). Amended by adding subsections (Q), (R), (S), (T), (U) and (V) effective February 19, 1987 (Supp. 87-1). Amended by adding subsections (W) and (X) effective October 14, 1988 (Supp. 88-4). Repealed effective March 20, 1990 (Supp. 90-1). R19-2-321 recodified from R4-27-321 (Supp. 95-1).

R19-2-322. Procedure before the Department

A. Appeal of stewards' rulings and referrals

1. Any person or persons aggrieved by a ruling of the stewards may appeal to the Director. Such an appeal must be filed in writing in the office of the Director within three days of the receipt of the steward's ruling.
2. The failure of the stewards to convene a hearing within ten days after the objection is made shall be deemed a denial by the stewards and may be appealed by filing a written appeal in the office of the Director within ten days from the date the objection was denied.
3. The appeal shall be signed by the person making said request or by his or her attorney and shall set forth the grounds for appeal and reasons for believing he or she is entitled to a hearing.
4. A person filing an appeal of a ruling may be required by the Director or the Commission to furnish a bond in the amount equal to an assessed fine and an additional $200 to cover the cost, which may be forfeited should the appeal be denied.
5. The stewards may refer any ruling made by them to the Director recommending further action including the revocation of a license suspended by the stewards. Upon receipt of such referrals, the Director shall review the record and may affirm, reverse, or modify the stewards' ruling or conduct such other proceedings the Director deems appropriate.
6. Upon the filing of an appeal in the manner set forth above, the Director shall fix a time and place for said hearing and shall give written notice of the hearing at least 20 days prior to the date set for the hearing, unless waived by the appellant.
7. Nothing contained in this Section shall affect the distribution of the pari-mutuel pools.
8. In case of an appeal or protest, the purse money affected will be retained by the permittee subject to order of the Director.

B. License denial, suspension, or revocation

1. The Director may deny a license application without prior notice to the applicant. However, if the applicant files an appeal with the Director within 20 days of the receipt of the denial, the Director shall fix a time and place for a hearing on the matter and shall give written notice of the hearing at least 20 days prior to the date set for the hearing, unless waived by the applicant.
2. The Director may revoke or, independently of the stewards, suspend a license only after notice and opportunity for hearing. Notice of the hearing shall be given in writing at least 20 days prior to the date set for hearing, unless waived by the applicant.

C. Contested cases

1. All parties appearing before the Director or his or her designee shall be afforded an opportunity for a hearing and the opportunity to respond and present evidence and argument on all issues.
2. Any party appearing before the Director or his or her designee shall have the right to appear in person or by counsel, except that a corporation may appear only through counsel. Any party may submit his or her case in writing. Failure of a party to appear for a hearing shall leave the Director free to act upon the evidence at hand without further notice to the parties. Proceedings may be reopened by the Director upon written petition of any party to the proceedings.

D. Hearing officer. If the Director assigns a matter to a hearing officer, the hearing officer shall submit to the Director within 15 days after the conclusion of the hearing a written decision which shall include proposed findings of fact, conclusions of law and order. The decision of the hearing officer may be approved or modified by the Director. The decision of the hearing officer becomes the decision of the Director unless modified by the Director within 45 days.

E. Depositions

1. When any party desires to take the oral deposition of any witness residing outside the state or otherwise unavailable as a witness, such party shall file with the Director a petition for permission to take the deposition of such witness, showing the name and address of such witness and setting forth specifically and in detail the nature and substance of the testimony expected to be given by such witness. The application shall be granted if it appears from such petition that the witness resides outside the state or is otherwise unavailable and that the testimony of such witness is relevant and material. If such statement is not made specifically and in detail, so that the Director may determine therefrom the relevancy and materiality of the testimony of such witness, such petition may be denied.
2. The Director may, at his or her discretion, designate the time and place and office before which such a deposition may be taken. The expense of any deposition will be borne by the party applying to the Director for permission to take same.
3. Any deposition taken under this rule shall be returned and filed with the Director within 30 days after permission for taking same is granted.

F. Service

1. Service of any decision, order, or other process may be made in person or by mail. Service by mail shall be made by enclosing the same or a copy thereof in a sealed envelope and depositing the same in the United States mail, postage prepaid, addressed to the party served at the address shown by the records of the Department.
2. The time periods prescribed or allowed by these rules, by order of the Department, or by an applicable statute, shall be computed as provided in the Rules of Civil Procedure.
3. Service upon an attorney who has appeared on behalf of a party will constitute service upon such party, except that papers required to be served upon the Director or Commission shall in all cases be filed in the office of the Department, with a copy served on the Attorney General.
4. Proof of service may be made by the affidavit or oral testimony of the person making such service.

G. Rehearing, review, or appeal

1. Except as provided in paragraph (7) of this subsection, any party in a contested case before the Director who is aggrieved by a decision rendered in such case may file with the Director, not later than ten days after service of the decision, a written motion for rehearing or review of the decision, specifying the particular grounds therefor. For purposes of this paragraph, a decision shall be deemed to have been served when personally delivered or mailed to the party at his or her last known residence or place of business.
2. The motion for rehearing may be amended at any time before it is ruled upon by the Director. A response may be

filed within ten days after service of such motion or amended motion by any other party. The Director may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.

3. A rehearing or review of the decision may be granted for any of the following causes materially affecting the moving party's rights:
   a. Irregularity in the administrative proceedings of the hearing officer or Director or the prevailing party, or any order or abuse of discretion, whereby the moving party was deprived of a fair hearing.
   b. Misconduct of the hearing officer, Director, or the prevailing party.
   c. Accident or surprise which could not have been prevented by ordinary prudence.
   d. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing.
   e. Excessive or insufficient penalties.
   f. Error in the admission or rejection of evidence or other errors of law occurring at the administrative hearing.
   g. That the decision is not justified by the evidence or is contrary to law.
4. The Director may affirm or modify the decision or grant a rehearing to all or any of the parties and on all or part of the issues for any of the reasons set forth in paragraph (3) of this subsection. An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.
5. Not later than ten days after a decision is rendered, the Director may, on his or her own initiative, order a rehearing or review of his or her decision for any reason for which he or she might have granted a rehearing on motion of a party. After giving the parties or their counsel notice and an opportunity to be heard on the matter, the Director may grant a motion for rehearing for a reason not stated in the motion. In either case, the order granting such a rehearing shall specify the grounds therefor.
6. When a motion for rehearing is based upon affidavits, they shall be served with the motion. An opposing party may within ten days after such service serve opposing affidavits, which period may be extended for an additional period not exceeding 20 days by the Director for good cause shown or by written stipulation of the parties. Reply affidavits may be permitted.
7. If in a particular decision it is necessary for the immediate preservation of the public peace, health, and safety, and if a rehearing or review of the decision is impracticable, unnecessary, or contrary to the public interest, the decision may be issued as a final decision without an opportunity for a rehearing or review.
8. For purposes of this subsection the terms "contested case" and "party" shall be defined as provided in A.R.S. § 41-1001.
9. To the extent that the provisions of this rule are in conflict with the provisions of any statute providing for rehearing of decisions of the Director, such statutory provisions shall govern.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4). Amended effective March 20, 1990 (Supp. 90-1). R19-2-322 recodified from R4-27-322 (Supp. 95-1).

R19-2-323. Procedure before the Commission

A. Appeal of Director's rulings
   1. Any person or persons aggrieved by a ruling of the Director may appeal to the Commission. Such an appeal must be filed in writing in the office of the Commission within 15 days after service of the Director's ruling.
   2. The appeal shall be signed by the person making said request or his or her attorney and must set forth with specificity his or her grounds for appeal and reasons for believing he or she is entitled to a hearing.
   3. Upon the filing of an appeal set forth above, the Commission shall review the record and may affirm, reverse, or modify the Director's ruling or conduct such other proceedings as the Commission deems appropriate.

B. Permit denial, suspension, or revocation
   1. The Commission may deny a permit application pursuant to a hearing upon 15 days notice.
   2. The Commission may revoke or suspend a permit only after notice and opportunity for hearing. Notice of the hearing shall be given in writing at least 20 days prior to the date set for hearing, unless waived by the applicant.
   3. All parties appearing before the Commission shall be afforded an opportunity for a hearing and the opportunity to respond and present evidence and argument on all issues.
   4. Any party appearing before the Commission shall have the right to appear in person or by counsel, except that a corporation may appear only through counsel. Any party may submit his or her case in writing. Failure of a party to appear for a hearing shall leave the Commission free to act upon the evidence at hand without further notice to the parties. Proceedings may be reopened by the Commission upon written petition of any party to the proceedings.

C. Hearing officer. If the Commission assigns a matter to a hearing officer, the hearing officer shall submit to the Commission within 15 days after the conclusion of the hearing a written decision which shall include proposed findings of fact, conclusions of law and order. The decision of the hearing officer may be approved or modified by the Commission. The decision of the hearing officer becomes the decision of the Commission unless modified by the Commission within 45 days.

D. Depositions
   1. When any party desires to take the oral deposition of any witness residing outside the state or otherwise unavailable as a witness, such party shall file with the Commission a petition for permission to take the deposition of such witness, showing the name and address of such witness and setting forth specifically and in detail the nature and substance of the testimony expected to be given by such witness. The application shall be granted if it appears from such petition that the witness resides outside the state or is otherwise unavailable and that the testimony of such witness is relevant and material. If such statement is not made specifically and in detail, so that the Commission may determine therefrom the relevancy and materiality of the testimony of such witness, such petition may be denied.
   2. The Commission may, at its discretion, designate the time and place and office before which such a deposition may be taken. The expense of any deposition will be borne by the party applying to the Commission for permission to take same.
   3. Any deposition taken under this rule shall be returned and filed with the Commission within 30 days after permission for taking same is granted.

E. Service
1. Service of any decision, order, or other process may be made in person or by mail. Service by mail shall be made by enclosing the same or a copy thereof in a sealed envelope and depositing the same in the United States mail, postage prepaid, addressed to the party served, at the address shown by the records of the Department, except that notice of a hearing before the Commission shall be mailed by certified mail to the last known address of the parties as shown by the records of the Department.
2. Proof of service may be made by the affidavit or oral testimony of the person making such service.
3. The time periods prescribed or allowed by these rules, by order of the Department or by an applicable statute, shall be computed as provided in the Rules of Civil Procedure.
4. Service upon an attorney who has appeared on behalf of a party will constitute service upon such party. In the case of papers requested to be served upon the Commission, an original and five copies shall be filed in the office of the Department and a copy shall be served upon the Attorney General.

F. Rehearing or review
1. Except as provided in paragraph (7) of this subsection, any party in a contested case before the Commission who is aggrieved by a decision rendered in such case may file with the Commission, not later than 15 days after service of the decision, a written motion for rehearing or review of the decision specifying the particular grounds therefor. For purposes of this paragraph, a decision shall be deemed to have been served when personally delivered or mailed to the party at his or her last known residence or place of business.
2. The motion for rehearing may be amended at any time before it is ruled upon by the Commission. A response may be filed within ten days after service of such motion or amended motion by any other party. The Commission may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.
3. A rehearing or review of the decision may be granted for any of the following causes materially affecting the moving party's rights:
   a. Irregularity in the administrative proceedings of the hearing officer or Commission or the prevailing party, or any order or abuse of discretion, whereby the moving party was deprived of a fair hearing.
   b. Misconduct of the hearing officer, Commission, or the prevailing party.
   c. Accident or surprise which could not have been prevented by ordinary prudence.
   d. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing.
   e. Excessive or insufficient penalties.
   f. Error in the admission or rejection of evidence or other errors of law occurring at the administrative hearing.
   g. That the decision is not justified by the evidence or is contrary to law.
4. The Commission may affirm or modify the decision or grant a rehearing to all or any of the parties and on all or part of the issues for any of the reasons set forth in paragraph (3) of this subsection. An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.
5. Not later than ten days after a decision is rendered, the Commission may, on its own initiative, order a rehearing or review of its decision for any reason for which it may have granted a rehearing on motion of a party. After giving the parties or their counsel notice and an opportunity to be heard on the matter, the Commission may grant a motion for rehearing for a reason not stated in the motion. In either case, the order granting such a rehearing shall specify the grounds therefor.
6. When a motion for rehearing is based upon affidavits, the affidavits shall be served with the motion. An opposing party may within ten days after such service serve opposing affidavits, which period may be extended for an additional period not exceeding 20 days by the Commission for good cause shown or by written stipulation of the parties. Reply affidavits may be permitted.
7. If in a particular decision it is necessary for the immediate preservation of the public peace, health, and safety and if a rehearing or review of the decision is impracticable, unnecessary, or contrary to the public interest, the decision may be issued as a final decision without an opportunity for a rehearing or review.
8. For purposes of this subsection the terms "contested case" and "party" shall be defined as provided in A.R.S. § 41-1001.
9. To the extent that the provisions of this rule are in conflict with the provisions of any statute providing for rehearing of decisions of the Commission, such statutory provisions shall govern.

Historical Note

Adopted effective August 5, 1983 (Supp. 83-4).
Amended effective March 20, 1990 (Supp. 90-1). R19-2-323 recodified from R4-27-323 (Supp. 95-1).

R19-2-324. Greyhound Housing

A. Kennel housing facilities:
1. Facilities shall be constructed and maintained in good repair to ensure protection from exposure or hazards that could endanger the greyhounds.
2. Bedding shall be provided for all greyhounds. Heat, insulation, or additional bedding adequate to provide warmth shall be provided when the indoor temperature is below 50 degrees Fahrenheit,. Facilities shall have operational cooling devices so the indoor temperature does not exceed 85 degrees Fahrenheit.
3. Facilities shall be provided for greyhounds under the age of eight weeks and for females within two weeks of whelping. The facility shall be disinfected on a daily basis and separate from a racing kennel.
4. Facilities shall at all times provide ventilation to all greyhounds by means of doors, windows, vents, air conditioning, or an evaporative cooling system.
5. Walls and floors shall be constructed to lend themselves to efficient cleaning and sanitizing.
6. Ample lighting shall be provided by natural or artificial means or both to allow efficient cleaning of the facilities, routine inspection of the facilities, and the greyhounds contained therein.
7. Each facility shall have at least one turn-out pen.
8. A minimum of one functional fire extinguisher shall be available at each kennel facility.
9. Facilities shall be cleaned and disinfected at least weekly or more frequently as may be necessary to reduce disease hazards, odors, fleas, ticks and vermin.
10. Smoking shall not be allowed in kennel housing.

B. Run housing

1. Buildings and structures shall be constructed and maintained in good repair to ensure protection from exposure or hazards that could endanger the greyhounds.
2. Sufficient shelter shall be provided to accommodate all greyhounds to allow access to shade from direct sunlight and regress from exposure to inclement weather. Heat, insulation, or bedding adequate to provide warmth shall be provided when the atmospheric temperature is below 50 degrees Fahrenheit.
3. The run area shall be kept free of debris, brush, feces or any unsanitary or hazardous materials that could endanger the greyhounds.
4. Fencing for the run shall be a minimum of four feet high. Material for fencing shall be such that the health and safety of the greyhounds are not endangered. Fences shall be maintained in satisfactory repair.
5. Run housing shall be cleaned at least daily or more frequently as may be necessary to reduce disease hazards and odors.

C. Kennel housing crates

1. The crates shall be of sound construction and maintained in good repair to protect the greyhounds from injury.
2. Construction materials and maintenance shall allow the greyhounds to be kept clean and dry. Walls and floors shall be impervious to urine and other moisture.
3. The shape and size of the crate shall afford ample space for the greyhounds to comfortably turn about, stand erect, sit and lie, but the crate shall not be smaller than 31 inches wide, 42 inches long and 32 inches high.
4. The greyhounds shall be removed from their crate at least four times in each 24-hour period. The release time shall be sufficient to relieve bodily functions and to loosen cramped muscles.
5. Except as provided in R19-2-328 (B), there shall be only one greyhound per crate.
6. Crates shall be cleaned and sanitized at least daily or more frequently as may be necessary in order to maintain a sanitary living environment for the greyhounds.

Historical Note
Adopted effective March 1, 1995; R19-2-324 recodified from R4-27-324 (Supp. 95-1).

R19-2-325. Grounds of the Racing Kennel, Breeding Farm, or Other Operation

A. General

1. Food supplies and bedding materials shall be stored to protect them from contamination or infestation by vermin or other factors which would render the food or bedding unsanitary. All meat shall be kept frozen or refrigerated until such time that it is to be thawed for immediate consumption.
2. Washrooms, basins, or sinks shall be readily accessible for maintaining cleanliness among greyhound caretakers and sanitizing of food and water utensils. Running water shall be immediately available and hot water shall be obtainable on the premises to properly disinfect dishes, utensils, or other equipment.
3. Waste materials shall be removed at least daily and disposed of at least weekly to minimize vermin infestation, odors, and disease hazards.
4. Dropping buckets shall have lids in place except while in use and shall be stored in an area removed from kennel housing and run housing.
5. Space shall be provided to prevent crowding and to allow freedom of movement and comfort to the greyhounds.
6. Females in estrus shall not be housed with racing dogs or males except for breeding purposes.
7. Cleaning supplies and pesticides shall be stored in a secure area completely separate from food, bedding storage, and greyhounds.
8. The grounds shall be free of weeds and other materials that may constitute a fire or other hazard and that may create a breeding ground for fleas and ticks.
9. Racing kennels, breeding farms, and other operations in Arizona shall apply for a license to operate from the Department. Greyhounds bred, whelped, raised, trained, or kenneled by unlicensed Arizona operations shall not be eligible to race within Arizona.

B. Turn-out pens and exercise areas

1. Fencing for turn-out pens and exercise areas shall be a minimum of five feet high. Material for fencing shall be such that the health and safety of the greyhounds are not endangered. Fences shall be maintained in satisfactory repair.
2. Ample lighting shall be provided by natural or artificial means or both to view the greyhounds while in the turn-out pens and to allow efficient cleaning thereof.
3. Turn-out pens and exercise areas shall be free of debris, brush, feces, or any unsanitary, or hazardous materials that could endanger the greyhounds.
4. The greyhound shall be supervised at all times while in the turnout pens.
5. Sufficient shelter shall be provided to accommodate all greyhounds in the exercise areas and turn-out pens to allow access to shade from direct sunlight and regress from exposure to inclement weather.
6. Turn-out pens shall be cleaned at least daily or more frequently as may be necessary to reduce disease hazards and odors.
7. Fresh sand shall be added to soak up urine at least annually or more frequently as may be necessary to reduce disease and odors.
8. Buildings and structures present in or around the turn-out pens or exercise areas shall be constructed and maintained in good repair to ensure protection from exposure or hazards that could endanger the greyhounds.

Historical Note
Adopted effective March 1, 1995; R19-2-325 recodified from R4-27-325 (Supp. 95-1). Amended effective August 7, 1996 (Supp. 96-3).

R19-2-326. General Care of Greyhounds in a Racing Kennel, on a Breeding Farm, or on Another Operation

A. All greyhounds shall be properly cared for on a daily basis. This includes physically inspecting the greyhounds for sores, cuts, abrasions, muzzle bums, fleas, ticks, and providing adequate feed.

B. Greyhounds shall be provided with clean, fresh water in run housing, exercise areas, and turnout pens at all times.

C. All food and water dishes shall be free of mold and slime.

D. Greyhounds shall be reasonably free of ticks and fleas. Care shall be taken to ensure that the greyhounds do not injest chemicals used to control fleas and ticks.

E. Sick, diseased, or injured greyhounds shall be provided with proper veterinary care.

F. Muzzles used shall be lightweight, plastic, or padded wire tape. Worn, broken, or rusted muzzles are prohibited.

G. All greyhounds shall be vaccinated annually against common canine diseases such as parvo, rabies, distemper, hepatitis, adenovirus type 2, parainfluenza, and leptospira. Current

records shall be kept and available for review by the Department inspector.

Historical Note
Adopted effective March 1, 1995; R19-2-326 recodified from R4-27-326 (Supp. 95-1).

R19-2-327. Personnel of the Racing Kennel, Breeding Farm, or Other Operation

A. The owner of the racing kennel, breeding farm, or other operation manager / agent, or supervising personnel shall be present at least once in each twenty-four hour period to supervise and to ascertain that the care of the greyhounds and maintenance of the facilities conform to all of the rules.

B. A sufficient number of employees shall be utilized to provide the required care of greyhounds and maintenance of the facilities.

C. The racing kennel, breeding farm, or other operation shall be licensed by the Department. If the owner of the racing kennel, breeding farm, or other operation is not physically present to run the racing kennel, breeding farm, or other operation, the owner's manager / agent shall also be licensed by the Department.

Historical Note
Adopted effective March 1, 1995; R19-2-327 recodified from R4-27-327 (Supp. 95-1).

R19-2-328. Transportation of Greyhounds

A. When transported within the state, all greyhounds shall be hauled in crates designed for the sole purpose of transporting greyhounds. These crates shall he a minimum of two feet wide, three feet long and 34 inches high.

B. When transporting racing greyhounds to and from the racetrack, there shall be allowed a maximum of two greyhounds per crate, provided that there is enough space for each greyhound to comfortably turn about sit, lie, and stand erect. When otherwise transporting greyhounds within the state, there shall be allowed only two greyhounds per crate provided that there is enough space for each greyhound to comfort ably turn about, sit, lie and stand erect.

C. The crates shall be of sound construction and maintained in good repair to ensure that the health and safety of the greyhounds are not endangered.

D. Floors and lower sides of the crates shall be constructed or shall be covered on the inner surfaces to contain excreta and bedding materials.

E. The crates shall be cleaned and sanitized at least daily, or more frequently as may be necessary in order to maintain a sanitary environment for the greyhounds.

F. Hauling vehicles shall provide ventilation that reaches each greyhound by means of windows, vents, air conditioner or an evaporative cooling system. Air conditioning, or evaporative cooling devices in good working order shall be provided when the atmospheric temperature is above 90 degrees Fahrenheit to provide comfort to the greyhounds during transport. Heat, insulation or bedding adequate to provide warmth shall be provided when the atmospheric temperature is below 50 degrees Fahrenheit.

G. Greyhounds in hauling vehicles shall be inspected at least once in each four-hour period and their needs attended to immediately. Water shall be provided at each four-hour interval check.

H. Racing kennels, breeding farms, or other operations that receive greyhounds transported from out-of-state locations shall maintain a log. The log shall include:
1. Greyhound names, if applicable
2. Left and right ear tattoo numbers
3. Name of owners/lessees
4. Date of shipping/receiving
5. Purpose (breeding, racing, training)
6. Name of hauling company and drive

I. Newly arriving out-of-state greyhounds shall be housed separately until a physical evaluation can be made for the presence of ticks, or fleas and the administration of proper treatment.

Historical Note
Adopted effective March 1, 1995; R19-2-328 recodified from R4-27-328 (Supp. 95-1).

R19-2-329. Disposition of Greyhounds

A. Racing kennels, breeding farms, or other operations shall maintain a log as to the disposition of individually registered greyhounds at the end of their breeding, racing, or nonracing careers. The log shall include
1. Greyhound names
2. Left and right ear tattoo numbers
3. Name of owners/lessees
4. Date career ended and reason why
5. Destination

B. Every effort shall be made to adopt the greyhounds not use for racing, or breeding purposes.

C. Greyhounds transported to an adoption agency, breeding farm, or other location at the end of their breeding, racing, or nonracing careers shall be subject to the transportation rules as set forth in R19-2-328.

Historical Note
Adopted effective March 1, 1995; R19-2-329 recodified from R4-27-329 (Supp. 95-1).

R19-2-330. Inspection Procedure for a Racing Kennel, Breeding Farm, or Other Operation

A. All racing kennels, breeding farms, or other operations shall be available for inspection at all times by representatives of the Department. Hauling vehicles used to transport greyhounds are considered part of the general equipment of the operation and as such shall be subject to inspection.

B. Inspections shall be unannounced.

C. A representative of the racing kennel, breeding farm, or other operation shall be present to assist the investigator during the inspection.

D. A copy of the inspection report detailing the findings of the inspection shall be left by the investigator at the racing kennel, breeding farm, or other operation.

E. A follow-up inspection shall be conducted by the Department if corrective measures are required, or if sick, or poorly maintained grey hounds are found. The Department may seek assistance from Animal Control authorities for the removal and treatment of sick and poorly maintained greyhounds.

Historical Note
Adopted effective March 1, 1995; R19-2-330 recodified from R4-27-330 (Supp. 95-1).

R19-2-331. Greyhound Adoption Grants

A. The purpose of the grants is to promote the adoption of racing greyhounds as domestic pets. A maximum of twenty-five percent of the license fees generated from A.R.S. § 5-104(F)(7) and (8) shall be distributed to nonprofit enterprises pursuant to A.R.S. § 5-104(G).

B. Procedures
1. The enterprise shall submit a Department-generated application form to the Commission by March 1 of each year the enterprise may desire to apply for a grant. The application form shall require the following information:

a. A written description of the enterprise and proposed use of the grant;
b. Proof of nonprofit status;
c. A description of its procedures to acclimate the greyhounds required by A.A.C. R19-2-331(C)(6);
d. A description of its adoption procedures required by A.A.C. R19-2-331(C)(7);
e. A copy of the application form and the adoption agreement required by A.A.C. R19-2-331(C)(7)(a) and (c); and
f. A copy of the owner release form required by A.A.C. R19-2-331(C)(9).

2. The Commission shall decide which enterprise shall receive a grant, the amount of the grant, and the date of disbursement of such grant.
3. The recipients of the grants shall report quarterly to the Commission on a form provided by the Department to gather the following information:
   a. The number of greyhounds the enterprise received;
   b. The number of greyhounds adopted;
   c. The number of greyhounds returned and reason for return;
   d. The actual use of the grant; and
   e. A list of people who adopted the greyhounds, or make available to the Department copies of the contracts between the agency and the adoptee.

C. Minimum qualifications
1. The enterprise shall be nonprofit.
2. The enterprise shall not:
   a. Allow the greyhounds to be used for racing, wagering, or hunting;
   b. Place the greyhounds in a pound, humane society, or research facility;
   c. Resell the greyhounds; or
   d. Place the greyhounds for resale.
3. The enterprise shall not euthanize an adoptable greyhound unless, as determined by a licensed veterinarian, it is medically necessary for humane reasons.
4. The enterprise shall be affiliated with a racetrack that conducts greyhound racing. Affiliation is satisfied when the general manager, or other executive from the racetrack submits to the Commission a written recommendation on behalf of the enterprise.
5. The enterprise shall require that a licensed veterinarian perform a complete check-up on each greyhound. Each greyhound shall be spayed, or neutered, and vaccinated as necessary.
6. The enterprise shall employ procedures for acclimating greyhounds, which include:
   a. Exposure to the public;
   b. Exposure to a household environment which may include stairs, couches, toys, mirrors, tables;
   c. Exposure to cats; and
   d. Exposure to a new diet.
7. The enterprise shall employ procedures for adopting-out greyhounds, which include:
   a. An application process for prospective adoptees;
   b. A visual check of each prospective adoptee's home with written documentation;
   c. A written adoption agreement between the enterprise and adoptee;
   d. At a minimum, follow-ups conducted by phone, or visit after seven days and 30 days with written documentation; and
   e. Procedures for the return of greyhounds.
8. The enterprise shall comply with the housing requirements set forth in R19-2-324.
9. The enterprise shall have an owner release form for each greyhound in their care.
10. The enterprise shall make available a person to answer questions from a prospective, or current adoptee.
11. The enterprise shall keep a file on each greyhound. The file shall include:
    a. The owner release form;
    b. The vaccination record, health record, and spay, or neuter record;
    c. The greyhound personality profile;
    d. The written adoption agreement between the enterprise and adoptee;
    e. The written documentation of visits and follow-ups; and
    f. The adoptee's application form.
12. The enterprise shall make available to the adoptee an owner's manual, or other packet of information.
13. Records required by A.A.C. R19-2-331(C)(11) shall be subject to inspection by representatives of the Department.

Historical Note
Adopted effective February 28, 1995; R19-2-331 recodified from R4-27-331 (Supp. 95-1).

R19-2-332. Certifying a Greyhound Arizona Bred

A. A breeder shall be properly licensed pursuant to A.R.S. § 5-107.01(B) in order to certify an Arizona-bred greyhound.

B. Within 10 days of whelping, the breeder shall provide notice of whelping to the Department on a Department-approved form. This notice shall include the names of all owners or lessees of the dam at the time of whelping who will be entitled to breeders' awards at a later date. The breeder shall also provide a copy of the Breeding Acknowledgment Form returned to the breeder by the National Greyhound Association (NGA).

C. Within 90 days of whelping, the breeder shall provide tattoo numbers of greyhounds from the litter to the Department on a Department-approved form.

D. The breeder shall apply for Arizona-bred certification by submitting to the Department the completed application form provided by the Department and a National Greyhound Association Individual Registration Application. The application shall include the names of all owners or lessees of the dam at the time of whelping who shall be entitled to breeders' awards.

E. The breeder shall comply with the following rules in order to be eligible for Arizona-bred certification:
1. A greyhound must be present in Arizona for not less than 6 months of its 1st year.
2. During the greyhound's 1st year, the breeder shall notify the Department whenever the greyhound is removed from the state.
3. The Department may conduct inspections at any time to ensure that greyhounds meet the residency requirement.

F. The breeder shall make the litter available for inspection by the representatives of the Department at any time. The Department representative shall conduct the inspection of the litter at a location licensed by the Department and designated on the Breeding Acknowledgement Form within 30 days of whelping. The Department representative may conduct additional inspections of the litter to verify tattoo numbers and ensure compliance with requirements of A.R.S. § 5-114(C).

G. If the greyhound and its breeder qualify by meeting requirements set forth in subsections (A) through (E), the Department shall certify that the greyhound is Arizona bred and mail all

necessary documents, including the National Greyhound Association Individual Registration Application form, to the NGA. A greyhound is considered Arizona bred as of the date indicated on the Department's certificate.

H. If the Breeder is ineligible for breeders' awards, the Director shall send a letter to the applicant explaining the ineligibility.

I. The Department shall retain a copy of the NGA registration certificate and mail the original to the registered breeder.

J. Denial. The Director may deny an application for Arizona-bred certification for any of the following reasons:

1. Failure to notify the Department of whelping as required by subsection (B),
2. Failure to provide the greyhound tattoo numbers as required in subsection (C),
3. Failure to meet the residency requirements in subsection (E)(1) or failure to meet the notification requirement of subsection (E)(2), and
4. Material misstatement by the breeder.

K. The Department shall use information contained in applications and notices submitted to the Department in the event of a conflict between Department records and records of another organization.

L. An applicant may appeal a decision of the Director by following the requirements in R19-2-322.

Historical Note

Adopted effective January 6, 1998 (Supp. 98-1).

ARTICLE 4. TELETRACKING

Section R19-2-401 was adopted and subsequently amended under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-401. Definitions

For purposes of this Article, in addition to the definitions set forth in R19-2-102 and R19-2-302, and unless the context otherwise requires:

1. "Teletrack Wagering Permit" means a permit issued by the Commission authorizing an Arizona racetrack permittee to telecast a racing program to single or multiple teletrack wagering facilities within the State of Arizona for the purpose of pari-mutuel wagering.
2. "Teletrack Facility" means an additional wagering facility owned or leased by an Arizona permittee which is used for handling legal wagers.
3. "Satellite" means the receiving and retransmission space station which is in orbit with the earth.
4. "Sending Track" means the enclosure where a racing program of authorized live racing is conducted from which teletracking originates.
5. "Teletracking" means the telecast of live audio and visual signals of live or simulcast horse, mule, or greyhound racing programs conducted at an authorized enclosure within Arizona to an authorized additional wagering facility within Arizona, by a racetrack permittee for the purpose of pari-mutuel wagering.
6. "Teletrack Wagering" means pari-mutuel wagering conducted at a teletrack facility within Arizona on a racing program which is conducted at an authorized track within Arizona.
7. "Transmission" means the point-to-point sending and receiving of an audio/visual signal by any method approved by the Arizona Department of Racing.
8. "Operating Hours" means the hours in which pari-mutuel windows are open at a teletrack facility.
9. "Sales Transaction Data" means the electronic signals transmitted between totalisator ticket-issuing machines and the totalisator central processing unit for the purpose of accepting wagers and generating, canceling and cashing pari-mutuel tickets; also, the financial information resulting from processing sales transaction data, such as handle and revenues.
10. "Pari-Mutuel Output Data" means any data provided by the totalisator system other than sales transaction data including, but not limited to, odds, will pays, race results and pay-off prices.
11. "Racing Program" means the live races conducted at an authorized track, approved dark-day simulcasts and any simulcast races shown to the public in conjunction with live racing on which pari-mutuel wagering is allowed.
12. "TIM-To-Tote Linkage" means the connection in which the Ticket Issuing Machines (TIM) are directly connected to the permittee's own calculating or compiling totalisator with no intermediate totalisator systems within that connection.
13. "Tote-To-Tote Linkage" means the connection between the totalisator systems in which 1 of the systems is not part of the permittee's calculating system and may or may not be used for the compilation of TIM-to-tote wagers within its own wagering network that are then forwarded to the permittee's calculating totalisator system.
14. "Video Breakdown" means any failure in the receipt of a video signal at a teletrack or racetrack facility including any failure to initially acquire a signal.
15. "Video Reception" means the display of wagering information and races as offered to the general public.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended by adding paragraphs (8) and (9) effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-401 recodified from R4-27-401 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1). Amended effective July 22, 1998, pursuant to an exemption from the rulemaking process (Supp. 98-3). Amended by exempt rulemaking at 5 A.A.R. 532, effective January 29, 1999 (Supp. 99-1).

Section R19-2-402 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-402. Teletrack Wagering

A. All applicable Department rules governing pari-mutuel wagering are incorporated by reference as also governing teletrack wagering. Teletrack monies wagered shall be made a part of the pool of the sending track.

B. Sales transaction data from a teletrack facility to the sending track must be maintained as a separate account for audit purposes.

C. Sales transaction data shall, by the use of currently approved technology, be transmitted separately from pari-mutuel data and the visual display of the races.

D. In case of interruption of transmission of sales transaction or pari-mutuel output data to or from the teletrack facility, the designated representative of the Department may require that the amount of wagers which have been accepted be deducted from the sending track pool, the odds recalculated, and those monies bet at the teletrack facility refunded, taking into consideration time, the extent of the breakdown, and the amount of monies wagered.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-402 recodified from R4-27-401 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-403 was adopted and subsequently amended under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-403. General Provisions

The following rules shall apply to each teletrack facility:

1. At the Director's discretion, a Department representative may be present during all operating hours.
2. Suitable back-up or replacement tote equipment shall be available such that down time in the event of equipment failure shall be 60 minutes or less, during operating hours. At teletrack sites with multiple teller equipment installed, back-up equipment may consist of the remaining operating teller machines provided that the remaining machines are sufficient to handle the reasonably anticipated volume of sales transactions without unreasonable delays or inconvenience to patrons.
3. The permittee controlling the teletrack wagering permit is responsible during the racing program for reporting any problems or delays to the public.
4. Security requirements will be adequate to control disturbances.
5. Communications must allow the sending track and teletrack facility to communicate without delay. In a Tote-to-Tote situation, if the data transmission link between the tote systems fail, the permittee holding the teletrack permit shall decide the policy for paying off or refunding pari-mutuel tickets and all other communication failures at the teletrack site.
6. Photo finish pictures of the previous day's live races will be available for viewing upon request within 48 hours.
7. A video display showing the following information must be in operation at each teletrack facility during all operating hours:
   a. All wagering information including pool totals, will pays, or odds as offered to the general public at the permittee racetrack location;
   b. Each race shown live, as it is run;
   c. Race Results;
   d. Prices or payoff;
   e. Minutes to post;
   f. The corresponding race number and track for which the above information is displayed.
8. Notwithstanding subsection (7), should a video breakdown occur in the display of the race and wagering information, the permittee shall immediately contact the Director or his designee. Wagering may continue at the teletrack facility on the affected racing program for the remainder of that racing day provided the following conditions are met:
   a. The racetrack permittee shall notify the wagering public at the affected teletrack facility of the nature of the breakdown;
   b. The racetrack permittee shall make immediate and continuing efforts to repair the video breakdown;
   c. The racetrack permittee shall provide the Director a written report concerning the circumstances within 48 hours of any such breakdown;
   d. The racetrack permittee shall not accept wagers at the teletrack facility on the affected racing program for any performance on a subsequent racing day until the breakdown has been repaired. The Director may, upon written request, authorize the racetrack permittee to accept wagers at a teletrack facility despite an ongoing video breakdown;
   e. If there is not a reasonable expectation of video reception, the racetrack permittee shall not accept wagers at the teletrack facility on the affected racing program. The Director may upon written request, authorize the racetrack permittee to accept wagers at a teletrack facility despite the lack of expectation of video reception.
9. Arizona pari-mutuel rules must be available in the wagering area.
10. Notice of any race cancellation, scratches, and other changes shall be posted conspicuously as soon as possible in the wagering area. In addition, it shall be the responsibility of the mutuel manager at the host permittee to disseminate all changes in wagering information to all teletrack wagering locations.
11. The results of each race, and the winnings therefrom, shall be posted as soon as possible at each teletrack facility and shall be available to the wagering public for 24 hours on the race day following the day of the race.
12. A permittee shall report to the Department any violation or suspected violation of law which occurs on or about the premises of the teletrack facility.
13. The permittee shall make daily handle and attendance reports for each teletrack facility as prescribed by the Department.
14. Betting Period:
    a. Wagering may only be conducted during periods approved by the Director or Commission in respect to any race, racing card, pool or feature pool.
    b. The Director may prescribe the closing time for pari-mutuel equipment at each facility based on the level of sophistication of the pari-mutuel equipment and transmission equipment.
15. The method used to transmit sales transaction and pari-mutuel output data shall be approved in writing by the Director, based upon the Director's determination that provisions to secure the system and transmissions are satisfactory.
16. The permittee shall provide computer reports pertaining to pari-mutuel activity as required by the Director.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended

paragraphs (16) and (17) effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-403 recodified from R4-27-403 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1). Amended effective July 22, 1998, pursuant to an exemption from the rulemaking process (Supp. 98-3). Amended by exempt rulemaking at 5 A.A.R. 532, effective January 29, 1999 (Supp. 99-1).

Section R19-2-404 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-404. Application for Original Teletrack Wagering Permit; Plan of Operation; Renewals of Teletrack Wagering Permit

A. An applicant must submit an Application for a Teletrack Wagering permit and a Plan of Operation to the Commission before the Commission may grant a teletrack wagering permit. The length of the permit shall not exceed 3 years. The Plan of Operation shall include but not be limited to the following:

1. Feasibility and accounts. A feasibility study denoting the estimated gross revenue from the teletrack wagering operation and the estimated costs to operate. The feasibility study shall include:
   a. The number of races to be displayed,
   b. The types of wagering to be offered and hours during which pari-mutuel windows will be in operation,
   c. The estimated attendance at all additional wagering facilities,
   d. The level of anticipated wagering activity,
   e. The source and amount of estimated revenues other than pari-mutuel wagering,
   f. The cost of operating the teletrack wagering system,
   g. The amount and source of revenues needed for financing the teletrack wagering operation,
   h. Proof of financial stability and assets sufficient to cover projected costs,
   i. An estimate of the total amount of anticipated revenues to be paid to the state of Arizona resulting from teletrack wagering operations.
2. Proof of compliance with applicable FCC regulations, and applicable FCC licensing requirements.
3. Contracts and agreements. The following information must be submitted in relation to any groups, concessions, or contracts whether within or outside of Arizona which are related to the teletrack wagering operation unless such information is already on record with the Department as part of the permittee's original application to operate racing meet:
   a. Copy of all contracts to provide service within Arizona;
   b. Names and background of the individuals responsible for operating the teletrack wagering system;
   c. Copies of proposed agreements for the transmission of audio-visual signals of racing events and transmission of sales transaction and pari-mutuel output data;
   d. Other information which, in the Director's judgment, is or may be material, such as information pertaining to financial background and persons associated with the parties to the contract.
4. Security.
   a. The security measures to be employed to protect the teletrack wagering facilities,
   b. The security measures to be employed to protect the public,
   c. The security measures to be employed to prevent the interception of audio and video signal transmission of races,
   d. The security measures to be employed to protect transmission of sales transaction and pari-mutuel output data.
5. Equipment, communication and transmission.
   a. The type of data processing, communication, and transmission equipment to be utilized;
   b. A description of all computer services and all other methods utilized for the transmission of any data or signal;
   c. A description of any alternate or backup system in case of principal system failure of communications or data-processing equipment used for forwarding wagers;
   d. Identification of satellite, if applicable;
   e. Additional information which may be required, at the discretion of the Director, such as the names, addresses, and phone numbers of all individuals who will be involved in the delivery of the signal.

B. Approval and amendments. A permittee shall conduct a teletrack wagering operation only according to the provisions of an approved Plan of Operation. Any change to the Plan of Operation will be allowed only when approved in writing by the Director. A permittee shall:

1. Report to the Department any changes in ownership/management groups,
2. Provide to the Department new contracts or amendments to existing ones,
3. Request the approval of the Director for any change in technology used to transmit sales transaction data,
4. Notify the Department of any change in the Plan of Operation.

C. Renewal. A permittee shall apply to the Racing Commission for renewal of its teletrack wagering permit at the time it makes application for a permit to operate a racing meet. The application for renewal shall provide the information required in subsections (A)(1) through (5) above.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-404 recodified from R4-27-404 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-405 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-405. Application for Approval of Additional Wagering Facilities; Plan of Operation; Renewal or Approval of Additional Wagering Facilities

A. A permittee who holds a permit for teletrack wagering shall submit an Application for Approval and a Plan of Operation for each additional teletrack wagering facility to the Racing Commission. The length of the permit for an additional wagering facility shall not exceed 3 years. The Plan of Operation shall include but not be limited to the following:

1. Feasibility and accounts. A feasibility study denoting the estimated gross revenue from the teletrack facility and the estimated costs to operate the facility. The feasibility study shall include:
   a. The number of races to be displayed,
   b. The types of wagering to be offered and the hours during which pari-mutuel windows will be in operation,
   c. The estimated attendance at the teletrack facility,
   d. The level of anticipated wagering activity,
   e. The source and amount of estimated revenues from sources other than pari-mutuel wagering,
   f. The cost of operating the facility,
   g. The amount and source of revenues needed for financing the teletrack wagering operation,
   h. Proof of financial stability and assets sufficient to cover projected costs,
   i. An estimate of the total amount of anticipated revenues to be paid to the state of Arizona resulting from teletrack wagering.
2. Contracts and agreements. The following information must be submitted in relation to any groups, concessions, or contracts, whether within or outside of Arizona, which are connected with the operation of a teletrack facility, unless such information is already on record.
   a. Listing and background of the management groups responsible for the operation of the facility;
   b. The names of all individuals who own 10% or more of the facility;
   c. Other information which, in the Director's judgment, is or may be material, such as information pertaining to financial background and persons associated with the parties to the contract.
3. Security. The measures to be employed to protect the facility, the employees, the public, and the wagering dollars.
4. Location of the teletrack wagering facility.
5. Proof that approval for use of the facility to handle pari-mutuel wagering has been given by the governing body of the city or town or by the board of supervisors, if the facility is located in an unincorporated area.
6. Building plans and specifications. Adequate provision shall be made for areas appropriate for patrons to handicap the races and the facilities shall allow reasonable access by handicapped persons.

B. Approval and amendments shall be the same as provided in R19-2-404(B).

C. Renewal. A permittee shall apply to the Department for renewal of its additional wagering facility permits at the time it makes application to renew its Teletrack Wagering Permit. Upon receipt of a completed application, the Director may approve the:

1. Renewal of a teletrack wagering facility,
2. A permittee's application to begin operation at a teletrack wagering facility previously approved by the Racing Commission and currently used by another permittee.

D. After receiving approval from the Racing Commission, a new facility may not open for business for a period of 5 working days or until all licensing requirements are satisfied. Should the necessary licensing requirements be completed in less than 5 working days, the remaining days may be waived by the Director.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-405 recodified from R4-27-405 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-406 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-406. Requisites for a Teletrack Wagering System

After a permit has been granted by the Commission but prior to beginning operation, if the applicant is required to utilize encoding and decoding systems, applicant will submit the following to the Director:

1. A description of the coding system used for any authorized encoding and decoding systems;
2. Number and manufacturer of any encoders and decoders;
3. Serial numbers of all encoders and decoders, updated monthly;
4. Number and location of decoders, updated monthly.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Amended effective August 21, 1985 (Supp. 85-4). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-406 recodified from R4-27-406 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-407 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-407. Transmission

A. Only persons authorized in writing by the Director will have access to the encoder and decoder. An updated list of the location of all decoders, controlled by the sending track or its designee, capable of obtaining the race signal of Arizona racetracks, shall be provided to the Department every 30 days.

B. Decoder authorization codes shall be changed more often than every 30 days and changes may be required more often by the Director.

C. The sending track or its licensed designee (who must be approved by the Director) will be the sole controller of the codes.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-407 recodified from R4-27-407 (Supp. 95-1). New Section

adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-408 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-408. Suspension of Teletrack Permit

A. The Director or the Director's designee may suspend any permit authorizing the operation of teletrack wagering or may suspend any permit to operate an additional wagering facility granted to a permittee if such permittee fails to conduct operations in accordance with the provisions of the applicable Plan of Operation, the applicable rules, or directives, or statutes.

B. If the Director finds that the public health, safety, or welfare imperatively requires emergency action, the Director may order summary suspension of a teletrack wagering permit or may order summary suspension of any permit authorizing operation of an additional wagering facility, pending a hearing.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-408 recodified from R4-27-408 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-409 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-409. Licensing of Employees at Teletrack Facilities

A. A teletrack wagering facility shall not participate in teletrack wagering unless all individuals required to be licensed in subsection (B) have been licensed.

B. The following individuals shall be licensed by the Department prior to participating in teletrack wagering:

1. All persons employed at any teletrack facility by any permittee,
2. All persons who own 10% or more in a teletrack facility leased be a permittee,
3. Any individual employed by the facility who has responsibility as manager of the facility during operating (racing) hours,
4. Any other person designated by the Director.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-409 recodified from R4-27-409 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

Section R19-2-410 was adopted under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-105(A)(18). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.

R19-2-410. Directives

Notwithstanding anything contained in this Article, decisions on other matters which arise concerning teletrack facility operations may be made by the Director, within the scope of the Director's statutory authority. The decisions shall be effective immediately upon written notification.

Historical Note

Adopted effective April 3, 1984 (Supp. 84-2). Repealed effective December 14, 1994 (Supp. 94-4). R19-2-410 recodified from R4-27-410 (Supp. 95-1). New Section adopted effective February 26, 1996, pursuant to an exemption from the rulemaking process (Supp. 96-1).

ARTICLE 5. PARI-MUTUEL WAGERING

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-501. General

Each permittee shall conduct wagering in accordance with applicable laws and these rules. Such wagering shall employ a pari-mutuel system approved by the Department. The totalisator shall be tested prior to and during the meeting as required by the Department.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-501 recodified from R4-27-501 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-502. Records

A. The permittee shall maintain records of all wagering so the Department may review such records for any contest including the opening line, subsequent odds fluctuation, the amount and at which window wagers were placed on any betting, interest, and such other information as may be required. Such wagering records shall be retained by each permittee and safeguarded for a period of time specified by the Department. The Department may require that certain of these records be made available to the wagering public at the completion of each contest.

B. The permittee shall provide the Department with a list of the licensed individuals afforded access to pari-mutuel records and equipment at the wagering facility.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-502 recod-

ified from R4-27-502 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-503. Pari-mutuel Tickets

A pari-mutuel ticket is evidence of a contribution to the pari-mutuel pool operated by the permittee and is evidence of the obligation of the permittee to pay to the holder thereof such portion of the distributable amount of the pari-mutuel pool as is represented by such valid pari-mutuel ticket. The permittee shall cash all valid winning tickets when such are presented for payment during the course of the meeting where sold, and for a one-year period after the last day of the meeting. Each pari-mutuel ticket purchaser agrees to abide by the terms and provisions of these rules, other applicable rules of the Arizona Racing Commission, and by the laws of the state of Arizona.

1. To be deemed a valid pari-mutuel ticket, such ticket shall have been issued by a pari-mutuel ticket machine operated by the permittee and recorded as a ticket entitled to a share of the pari-mutuel pool and contain imprinted information as to:
   a. The name of the permittee operating the meeting,
   b. A unique identifying number or code,
   c. Identification of the terminal at which the ticket was issued,
   d. A designation of the performance for which the wagering transaction was issued,
   e. The contest number for which the pool is conducted,
   f. The type or types of wagers represented,
   g. The number or numbers representing the betting interests for which the wager is recorded,
   h. The amount or amounts of the contributions to the pari-mutuel pool or pools for which the ticket is evidence.
2. No pari-mutuel ticket recorded or reported as previously paid, cancelled, or nonexistent shall be deemed a valid pari-mutuel ticket by the permittee. The permittee may withhold payment and refuse to cash any pari-mutuel ticket deemed not valid, except as provided in R19-2-504(E) of these rules.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-503 recodified from R4-27-503 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-504. Pari-mutuel Ticket Sales

A. Pari-mutuel tickets shall not be sold by anyone other than a permittee licensed to conduct pari-mutuel wagering, and such tickets shall be sold within the enclosure in which authorized racing takes place and at all facilities pursuant to A.R.S. § 5-111 and A.R.S. § 5-112.

B. No pari-mutuel ticket may be sold on a contest for which wagering has already been closed and no permittee shall be responsible for ticket sales entered into but not completed by issuance of a ticket before the totalisator is closed for wagering on such contest.

C. Claims pertaining to a mistake on an issued or unissued ticket must be made by the bettor prior to leaving the seller's window.

D. Payment on winning pari-mutuel wagers shall be made on the basis of the order of finish as purposely posted and declared "official". Any subsequent change in the order of finish or award of purse money as may result from a subsequent ruling by the stewards or Department shall in no way affect the pari-mutuel payoff. If an error in the posted order of finish or payoff figures is discovered, the official order of finish or payoff prices may be corrected and an announcement concerning the change shall be made to the public.

E. The permittee shall not satisfy claims on lost, mutilated, or altered pari-mutuel tickets without authorization of the Department.

F. The permittee shall have no obligation to enter a wager into a betting pool if unable to do so due to equipment failure.

G. Pari-mutuel tickets shall neither be sold nor purchased by anyone under 18 years of age.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-504 recodified from R4-27-504 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-505. Advance Performance Wagering

No permittee shall permit wagering to begin more than one day before scheduled post time of the first contest of a performance unless it has first obtained the authorization of the Department.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-505 recodified from R4-27-505 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-506. Claims for Payment from Pari-mutuel Pool

At a designated location, a written, verified claim for payment from a pari-mutuel pool shall be accepted by the permittee in any case where the permittee has withheld payment or has refused to cash a pari-mutuel wager. The claim shall be made on such form as approved by the Department, and the claimant shall make such claim under penalty of perjury. The original of such claim shall be forwarded to the Department within 48 hours.

1. In the case of a claim made for payment of a mutilated pari-mutuel ticket which does not contain the total imprinted elements required pursuant to R19-2-503(1) of these rules, the permittee shall make a recommendation to accompany the claim forwarded to the Department as to whether or not the mutilated ticket has sufficient elements to be positively identified as a winning ticket.
2. In the case of a claim made for payment on a pari-mutuel wager, the Department shall adjudicate the claim and may order payment thereon from the pari-mutuel pool or by the permittee, or may deny the claim, or may make such other order as it may deem proper.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-506 recodified from R4-27-506 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-507. Payment for Errors

If an error occurs in the payment amounts for pari-mutuel wagers which are cashed or entitled to be cashed and, as a result of such error, the pari-mutuel pool involved in the error is not correctly distributed among winning ticket holders, the following shall apply:

1. Verification is required to show that the amount of the commission, the amount in breakage, and the amount in payoffs is equal to the total gross pool. If the amount of the pool is more than the amount used to calculate the payoff, the underpayment shall be paid to the Department for deposit into the State Treasury.
2. Any claim not filed with the permittee within 30 days, inclusive of the date on which the underpayment was publicly announced, shall be deemed waived, and the permittee shall have no further liability therefore.
3. In the event the error results in an overpayment to winning wagers, the permittee shall be responsible for such payment.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-507 recodified from R4-27-507 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-508. Betting Explanation

A summary explanation of pari-mutuel wagering and each type of betting pool offered shall be published in the program for every wagering performance. The rules of racing relative to each type of pari-mutuel pool offered must be prominently displayed on permittee grounds and available upon request through permittee representatives.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-508 recodified from R4-27-508 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-509. Display of Betting Information

A. Approximate odds for Win pool betting shall be posted on display devices within view of the wagering public and updated at intervals of not more than 90 seconds.

B. The probable payoff or amounts wagered, in total and on each betting interest, for other pools shall be displayed to the wagering public at intervals and in a manner approved by the Department.

C. Official results and payoffs must be displayed upon each contest being declared official.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-509 recodified from R4-27-509 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-510. Cancelled Contests

A. If a contest is cancelled or declared "no contest", refunds shall be granted on valid wagers in accordance with these rules.

B. Should less than three contestants in a greyhound race finish, the contest shall be declared "no contest", and refunds shall be granted on valid wagers in accordance with these rules.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-510 recodified from R4-27-510 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-511. Refunds

A. Notwithstanding other provisions of these rules, refunds of the entire pool shall be made on:
1. Win pools, Exacta pools, and first-half Double pools offered in contests in which the number of betting interests has been reduced to fewer than two.
2. Place pools, Quinella pools, Trifecta pools, first-half Quinella Double pools, first-half Twin Quinella pools, first-half Twin Trifecta pools, and first-half Tri-Superfecta pools offered in contests in which the number of betting interests has been reduced to fewer than three.
3. Show pools, Superfecta pools, and first-half Twin Superfecta pools offered in contests in which the number of betting interests has been reduced to fewer than four.

B. Authorized refunds shall be paid upon presentation and surrender of the affected pari-mutuel ticket.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-511 recodified from R4-27-511 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-512. Coupled Entries and Mutuel Fields

A. Contestants coupled in wagering as a coupled entry or mutuel field shall be considered part of a single betting interest for the purpose of price calculations and distribution of pools. Should any contestant in a coupled entry or mutuel field be officially withdrawn or scratched, the remaining contestants in that coupled entry or mutuel field shall remain valid betting interests and no refunds will be granted. If all contestants within a coupled entry or mutuel field are scratched, then tickets on such betting interests shall be refunded, notwithstanding other provisions of these rules.

B. For the purpose of price calculations only, coupled entries and mutuel fields shall be calculated as a single finisher, using the finishing position of the leading contestant in that coupled entry or mutuel field to determine order of placing. This rule shall apply to all circumstances, including situations involving a dead heat, except as otherwise provided by these rules.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-512 recodified from R4-27-512 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-513. Pools Dependent upon Betting Interests

Unless the Department otherwise provides, at the time the pools are opened for wagering, the permittee:
1. May offer win, place, and show wagering on all contests with 6 or more betting interests.
2. May be allowed to prohibit show wagering on any contest with 5 or fewer betting interests scheduled to start.
3. May be allowed to prohibit place wagering on any contest with 4 or fewer betting interests scheduled to start.
4. May be allowed to prohibit Quinella wagering on any contest with 3 or fewer betting interests scheduled to start.
5. May be allowed to prohibit Quinella Double wagering on any contests with 3 or fewer betting interests scheduled to start.
6. May be allowed to prohibit Exacta wagering on any contest with 3 or fewer betting interests scheduled to start.
7. Shall prohibit Trifecta wagering on any horse racing contest with 6 or fewer betting interests scheduled to start. The permittee shall prohibit Trifecta wagering on any greyhound contest with 5 or fewer betting interests scheduled to start.
8. Shall prohibit Superfecta wagering on any contest with 7 or fewer betting interests scheduled to start.
9. May be allowed to prohibit Twin Quinella wagering on any contests with 3 or fewer betting interests scheduled to start.
10. Shall prohibit Twin Trifecta wagering on any contests with 7 or fewer betting interests scheduled to start.
11. Shall prohibit Tri-Superfecta wagering on any contests with of 7 or fewer betting interests scheduled to start.
12. Shall prohibit Twin Superfecta wagering on any contests with 7 or fewer betting interests scheduled to start.
13. May prohibit wagering on any particular contestant or contestants in stakes races, if such exclusions are clearly indicated within the program.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-513 recodified from R4-27-513 (Supp. 95-1). Amended effective July 3, 1996 (Supp. 96-3).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-514. Prior Approval Required for Betting Pools

A. A permittee that desires to offer new forms of wagering must apply in writing to the Department and receive written approval prior to implementing the new betting pool.

B. The permittee may suspend previously approved forms of wagering with the prior approval of the Department. Any carryover shall be held until the suspended form of wagering is reinstated. A permittee may request approval of a form of wagering or separate wagering pool for specific performances.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-514 recodified from R4-27-514 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-515. Closing of Wagering in a Contest

A. A Department representative shall close wagering for each contest after which time no pari-mutuel tickets shall be sold for that contest.

B. The permittee shall maintain, in good order, a system approved by the Department for closing wagering.

1. Should the totalisator fail mechanically and become unreliable as to the amounts wagered, the payoff shall be computed on the sums then wagered in each pool as shown by the recapitulation of the sales registered by each ticket-issuing device. If the pari-mutuel equipment renders such recapitulation impossible, all money wagered on the contest shall be refunded.
2. In the event that a breakdown of the totalisator cannot be repaired during wagering on a contest, the wagering for that contest shall be declared closed. The payoff for such a race shall be computed on the sums wagered in each pool prior to the breakdown, subject to the limitations of subsection (B)(1) of this Section.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-515 recodified from R4-27-515 (Supp. (5-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-516. Complaints Pertaining to Pari-mutuel Operations

A. When a patron makes a complaint regarding the pari-mutuel department to a permittee, the permittee shall immediately issue a complaint report setting out:

1. The name of the complainant;
2. The nature of the complaint;
3. The name of the persons, if any, against whom the complaint was made;
4. The date of the complaint;
5. The action taken or proposed to be taken, if any, by the permittee.

B. The permittee shall submit every complaint report to the Department within 48 hours after the complaint was made.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-516 recodified from R4-27-516 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-517. Licensed Employees

All licensees shall report any known irregularities or wrongdoings by any person involving pari-mutuel wagering immediately to the Department and cooperate in subsequent investigations.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-517 recodified from R4-27-517 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-518. State Mutuel Supervisor

A. The Director shall appoint a state mutuel supervisor who shall monitor the pari-mutuel department and wagering at all race meetings and additional wagering facilities.

B. A permittee shall grant the state mutuel supervisor and Department unrestricted access to its facilities and equipment and to all books, ledgers, accounts, documents, and records pertaining to pari-mutuel wagering.

C. The state mutuel supervisor shall receive all requested information from a permittee's officers and employees promptly and shall receive full cooperation while carrying out the duties of that office.

D. The state mutuel supervisor shall report to the Director and stewards any failure of the permittee, including its officers and employees, to comply with both the provisions of these rules and the laws of the state of Arizona.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-518 recod-

ified from R4-27-518 (Supp. 95-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-519. Mutuel Manager

A. In the event of an emergency in connection with the pari-mutuel department not covered in these rules, the mutuel manager representing the permittee shall report the problem to the stewards and the permittee, and the stewards shall render a full report to the Department within 48 hours.

B. The mutuel manager shall be responsible for the correctness of all payoff prices posted on the odds board, subject to the limitations of nonfraudulent human and mechanical errors. In the event that a payoff is both incorrectly posted and paid, the mutuel manager shall file with the Department a complete report explaining the circumstances prior to the next racing day.

C. The mutuel manager shall provide the Department with, upon request, complete and detailed reports of each race day; including the handle of each race, the total handle and attendance, the payoffs on each race, breakage and commission, opening and closing lines, and sellers' shortages and overages.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-519 recodified from R4-27-519 (Supp. 95-1).

R19-2-520. Reserved

The following Section was adopted and subsequently amended under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-521. Simulcast Wagering

A. The Department may authorize a racetrack permittee to conduct simulcasting as defined in A.R.S. § 5-101 pursuant to A.R.S. § 5-112 and the Interstate Horse Racing Act of 1978.

B. A racetrack permittee shall submit a request for sending or receiving of simulcasts in writing to the Director of the Department.

C. For approval of horse simulcasts, the Department requires the following:
1. A completed simulcast agreement between a racetrack permittee and out-of-state entity specifying which races will be simulcast to or from each specific track involved in the agreement.
2. Written approval of the out-of-state horsemen's group, if applicable.
3. Written approval of the out-of-state racing commission.
4. Written approval of the local horsemen's group. For purposes of this Section, horsemen's group is the group which represents the majority of the horsemen racing at or contracted with the racetrack permittee.

D. For approval of greyhound simulcasts, the Department requires the following:
1. A completed simulcast agreement between a racetrack permittee and out-of-state entity.
2. Written approval of the out-of-state racing commission.

E. Withdrawal of any of the written approvals required in subsections (C) and (D) shall at any time constitute grounds for the Department to rescind authorization for simulcasting.

F. Additional Wagering Facilities
1. A racetrack permittee may conduct simulcasting at the racetrack enclosure and at any additional wagering facility operated by the racetrack permittee providing that the additional wagering facility is included in the simulcast agreement.
2. A racetrack permittee may send its simulcast signal to an out-of-state racetrack enclosure and any additional wagering facilities operated or used by the out-of-state entity providing all locations receiving the simulcast signal are included in the simulcast agreement.

G. Duties of Sending Racetrack Permittee
1. The sending racetrack permittee is responsible for content of the simulcast and shall use all reasonable effort to present a simulcast which offers the viewers an exemplary depiction of each performance.
2. Unless otherwise permitted by the Department, every simulcast will contain in its video content a digital signal of actual time of day, the name of the host facility from where it emanates, the number of the contest being displayed, and any other relevant information available to patrons at the sending facility.
3. The sending racetrack permittee shall maintain such security controls including encryption over its uplink and communications systems as directed or approved by the Department.

H. Duties of Receiving Racetrack Permittee
1. A receiving racetrack permittee conducting a live commercial racing meeting in this state may conduct and operate a pari-mutuel wagering system on the results of contests being held or conducted and simulcast from the enclosures of 1 or more sending racetrack permittees outside this state and with approval of the Department.
2. Receiving racetrack permittee shall provide:
   a. Adequate transmitting and receiving equipment of acceptable broadcast quality, which shall not interfere with the closed-circuit TV system of the sending racetrack permittee for providing any sending facility patron information.
   b. Pari-mutuel terminals, pari-mutuel odds displays, modems, and switching units enabling pari-mutuel data transmissions, and data communications between the sending and receiving racetrack permittees.
   c. A voice communication system between receiving racetrack permittee and the sending racetrack permittee providing timely voice contact among the Department designees, placing judges, and pari-mutuel departments.
   d. A monthly copy of the simulcast schedule and any amendments to that schedule to the Department.
3. A receiving racetrack permittee shall conduct pari-mutuel wagering pursuant to the applicable Department rules.

4. With the exception of the cases in subsection (I)(1), at all times the live video signal shall be shown to the wagering public.
5. The Department may appoint at least 1 designee to supervise all approved simulcast facilities and may require additional designees as is reasonably necessary for the protection of the public interest.

I. Acquisition and Subsequent Loss of Simulcast Video Signal

1. Should a video breakdown occur in the display of the race and wagering information, the permittee shall immediately contact the Director or the Director's designee. Wagering may continue at the permittee racetrack location on the affected racing program for the remainder of that racing day provided the following conditions are met:
   a. The racetrack permittee shall notify the wagering public of the nature of the breakdown;
   b. The racetrack permittee shall make immediate and continuing efforts to repair the video breakdown;
   c. The racetrack permittee shall provide the Director a written report concerning the circumstances within 48 hours of any such breakdown;
   d. The racetrack permittee shall not accept wagers at the racetrack enclosure on the affected racing program for any performance on a subsequent racing day until the breakdown has been repaired. The Director may, upon written request, authorize the racetrack permittee to accept wagers despite an ongoing video breakdown;
   e. If there is not a reasonable expectation of video reception, the racetrack permittee shall not accept wagers on the affected racing program. The Director may, upon written request, authorize the racetrack permittee to accept wagers despite an ongoing video breakdown;
   f. For separate pool simulcast wagering, the racetrack permittee shall ensure that the voice communication line between the Arizona Stewards and their out-of-state counterpart remains intact;
   g. For common pool simulcast wagering, the racetrack permittee shall ensure that the core-to-core link between the Arizona permittee's tote system and the out-of-state tote system remains intact.
2. In accordance with R19-2-505, the racetrack permittee may request in writing to the Director the authorization to conduct advance performance wagering.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-521 recodified from R4-27-521 (Supp. 95-1). Amended effective February 17, 1998, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 98-1). Amended effective July 22, 1998, pursuant to an exemption under the Administrative Procedure Act. (Supp. 98-3). Amended by exempt rulemaking at 5 A.A.R. 532, effective January 29, 1999 (Supp. 99-1). Amended by exempt rulemaking at 5 A.A.R. 2176, effective June 15, 1999 (Supp. 99-2).

The following Section was adopted and subsequently amended under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-522. Interstate Common Pool Wagering

A. General

1. All contracts governing participation by a racetrack permittee in interstate common pools shall be submitted to the Department for approval.
2. Individual wagering transactions are made at the point of sale in the state where placed. Pari-mutuel pools are combined solely for computing odds and calculating payoffs but will be held separate for auditing and all other purposes.
3. Any surcharges or withholdings in addition to the takeout shall only be applied in the jurisdiction otherwise imposing such surcharges or withholdings.
4. The content and format of the visual display of racing and wagering information at facilities in other jurisdictions where wagering is permitted in the interstate common pool need not be identical to the similar information permitted or required to be displayed under these rules.
5. A racetrack permittee may only participate in common pool wagering on the same type of racing as authorized by the permit for live racing conducted by the racetrack permittee.

B. Participation in Interstate Common Pools by Receiving Racetrack Permittee

1. With the prior approval of the Department, pari-mutuel wagering pools may be combined with corresponding wagering pools at the sending facility outside of this state.
2. The Department may permit adjustment of the takeout from the pari-mutuel pool so that the takeout rate in this jurisdiction is identical to that at the sending track (within the limits permitted by state law).
3. Where takeout rates in the merged pool are not identical, the net price calculation shall be the method by which the differing takeout rates are applied.
4. Rules of racing as established for the contest in the sending track shall apply to the merged pool.
5. The Department shall approve agreements made between the racetrack permittee and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.
6. If, for any reason, it becomes impossible to successfully merge the bets placed into the interstate common pool, the racetrack permittee shall make payoffs in accordance with payoff prices that would have been in effect if prices for the pool of bets were calculated without regard to wagers placed elsewhere; except that, with permission of the Department, the racetrack permittee may alternatively determine to either pay winning tickets at the payoff prices at the sending track or declare such accepted bets void and make refunds in accordance with the applicable rules.

C. Participation in Merged Pools by Sending Racetrack Permittee

1. With the prior approval of the Department, a racetrack permittee conducting a live racing meeting and conducting pari-mutuel wagering may determine that all or part of its racing program be utilized for pari-mutuel wagering by sending all or part of its racing program to facilities outside this state and may also determine that pari-mutuel pools at such facilities be combined with corresponding wagering pools established by it as the sending track.

2. Rules of racing established for races held in this state shall also apply to interstate common pools unless the Department shall have specifically otherwise determined.
3. The Department shall approve agreements made between the racetrack permittee and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.
4. Any contract for interstate common pools entered into by the racetrack permittee shall contain a provision to the effect that if, for any reason, it becomes impossible to successfully merge the bets placed in another state into the interstate common pool formed by the racetrack permittee, or if, for any reason, the Department's or the racetrack permittee's representative determines that attempting to effect transfer of pool data from the receiving facility may endanger the racetrack permittee's wagering pool, the racetrack permittee shall have no liability for any measures taken which may result in the receiving facility's wagers not being accepted into the pool.
5. Amounts wagered in an interstate common pool other than amounts wagered within this state shall not be considered part of the racetrack permittee's pari-mutuel wagering pool for purposes of A.R.S. § 5-111. A racetrack permittee may charge a fee to a receiving facility or location outside this state for the privilege of conducting pari-mutuel wagering on the race and participating in the interstate common pool and for payment of costs incurred to transmit the broadcast of the race.
6. Should a racetrack permittee experience a breakdown in the sending of the video signal while conducting interstate common pool wagering, the racetrack permittee:
   a. Shall notify all receiving locations of the technical difficulties being experienced;
   b. May continue to accept wagers from the receiving out-of-state locations provided there is compliance with the guest site's governing agency.

D. Takeout Rates in Interstate Common Pools. With prior approval of the Department, a racetrack permittee wishing to participate in an interstate common pool may change its takeout rate (within the limits permitted by state law) so as to achieve a common pool takeout rate with all other participants in the interstate common pool.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). R19-2-522 recodified from R4-27-522 (Supp. 95-1). Amended effective February 17, 1998, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 98-1). Amended by exempt rulemaking at 5 A.A.R. 532, effective January 29, 1999 (Supp. 99-1).

The following Section was adopted under an exemption from the provisions of the Administrative Procedure Act (A.R.S. Title 41, Chapter 6) pursuant to A.R.S. § 41-1005(A)(18). Exemption from A.R.S. Title 41, Chapter 6 means that the Arizona Racing Commission did not submit these rules to the Governor's Regulatory Review Council for Review; the Commission did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Commission was not required to hold public hearings on these rules; and the Attorney General did not certify these rules.

R19-2-523. Calculation of Payoffs and Distribution of Pools

A. General

1. All permitted pari-mutuel wagering pools shall be separately and independently calculated and distributed. Takeout shall be deducted from each gross pool as stipulated by law. The remainder of the monies in the pool shall constitute the net pool for distribution as payoff on winning wagers.
2. For each wagering pool, the amount wagered on the winning betting interest or betting combinations is deducted from the net pool to determine the profit; the profit is then divided by the amount wagered on the winning betting interest or combinations, such quotient being the profit per dollar.
3. Either the standard or net price calculation procedure may be used to calculate single commission pools, while the net price calculation procedure must be used to calculate multi-commission pools.
   a. *Standard Price Calculation Procedure*

      SINGLE PRICE POOL (WIN POOL)

gross pool	=	sum of wagers on all betting interests - refunds
takeout	=	gross pool x percent takeout
net pool	=	gross pool - takeout
profit	=	net pool - gross amount bet on winner
profit per dollar	=	profit / gross amount bet on winner
$1 unbroken price	=	profit per dollar + $1
$1 broken price	=	$1 unbroken price rounded down to the break point
total payout	=	$1 broken price x gross amount bet on winner
total breakage	=	net pool - total payout

      PROFIT SPLIT (PLACE POOL)

      Profit is net pool less gross amount bet on all place finishers. Finishers split profit ½ and ½ (place profit), then divide by gross amount bet on each place finisher for 2 unique prices.

      PROFIT SPLIT (SHOW POOL)

      Profit is net pool less gross amount bet on all show finishers. Finishers split profit 1/3 and 1/3 and 1/3 (show profit), then divide by gross amount bet on each show finisher for 3 unique prices.

   b. Net Price Calculation Procedure

      SINGLE PRICE POOL (WIN POOL)

gross pool	=	sum of wagers on all betting interests - refunds
takeout	=	gross pool x percent takeout
* for each source:		
net pool	=	gross pool - takeout
net bet on winner	=	gross amount bet on winner x (1 - percent takeout)
total net pool	=	sum of all sources net pools
total net bet on		

winner	=	sum of all sources net bet on winner
total profit	=	total net pool - total net bet on winner
profit per dollar	=	total profit / total net bet on winner
$1 unbroken base price	=	profit per dollar + $1
* for each source:		
$1 unbroken price	=	$1 unbroken base price x (1 - percent takeout)
$1 broken price	=	$1 unbroken price rounded down to the break point
total payout	=	$1 broken price x gross amount bet on winner
total breakage	=	net pool - total payout

PROFIT SPLIT (PLACE POOL)

Total profit is the total net pool less the total net amount bet on all place finishers. Finishers split total profit ½ and ½ (place profit), then divide by total net amount bet on each place finisher for 2 unique unbroken base prices.

PROFIT SPLIT (SHOW POOL)

Total profit is the total net pool less the total net amount bet on all show finishers. Finishers split total profit 1/3 and 1/3 and 1/3 (show profit), then divide by total net amount bet on each show finisher for 3 unique unbroken base prices.

4. If a profit split results in only 1 covered winning betting interest or combinations, it shall be calculated the same as a single price pool.
5. Minimum payoffs and the method used for calculating breakage shall be established by the Department.
6. The individual pools outlined in these rules may be given alternative names by each permittee, provided prior approval is obtained from the Department.

B. Win Pools

1. The amount wagered on the betting interest which finishes 1st is deducted from the net pool, the balance remaining being the profit; the profit is divided by the amount wagered on the betting interest finishing 1st, such quotient being the profit per dollar wagered to Win on that betting interest.
2. The net Win pool shall be distributed as a single price pool to winning wagers in the following precedence, based upon the official order of finish:
   a. To those whose selection finished 1st; but if there are no such wagers, then
   b. To those whose selection finished 2nd; but if there are no such wagers, then
   c. To those whose selection finished 3rd; but if there are no such wagers, then
   d. The entire pool shall be refunded on Win wagers for that contest.
3. If there is a dead heat for 1st involving:
   a. Contestants representing the same betting interest, the Win pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Win pool shall be distributed as a profit split.

Table 1: WIN POOL
(Standard Price Calculation)

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout:		
Gross Pool x Percent Takeout	=	$34,724.34
Net Pool:		
Gross Pool - Takeout	=	$158,188.66
Gross Amount Bet on Winner	=	$23,872.00
Profit:		
Net Pool - Gross Amount Bet on Winner	=	$134,316.66
Profit Per Dollar:		
Profit / Gross Amount Bet on Winner	=	$5.6265357
$1 Unbroken Price:		
Profit Per Dollar + $1	=	$6.6265357

C. Place Pools

1. The amounts wagered to Place on the 1st 2 betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into 2 equal portions, 1 being assigned to each winning betting interest and divided by the amount wagered to Place on that betting interest, the resulting quotient is the profit per dollar wagered to Place on that betting interest.
2. The net Place pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   a. If contestants of a coupled entry or mutuel field finished in the 1st 2 places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise
   b. As a profit split to those whose selection is included within the 1st 2 finishers; but if there are no such wagers on 1 of those 2 finishers, then
   c. As a single price pool to those who selected the 1 covered betting interest included within the 1st 2 finishers; but if there are no such wagers, then

d. As a single price pool to those who selected the 3rd-place finisher, but if there are no such wagers, then
e. The entire pool shall be refunded on Place wagers for that contest.

3. If there is a dead heat for 1st involving:
   a. Contestants representing the same betting interest, the Place pool shall be distributed as a single price pool.
   b. Contestants representing 2 or more betting interests, the Place pool shall be distributed as a profit split.
4. If there is a dead heat for 2nd involving:
   a. Contestants representing the same betting interest, the Place pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Place pool is divided with ½ of the profit distributed to Place wagers on the betting interest finishing 1st and the remainder is distributed equally amongst Place wagers on those betting interests involved in the dead heat for 2nd.

Table 2: PLACE POOL
(Standard Price Calculation)

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout		
Gross Pool x Percent Takeout	=	$34,724.34
Net Pool:		
Gross Pool - Takeout	=	$158,188.66
Gross Amount Bet on 1st place finisher	=	$23,872.00
Gross amount Bet on 2nd place finisher	=	$12,500.00
Profit:		
Net Pool - Gross Amount Bet on 1st place finisher - Gross Amount Bet on 2nd place finisher	=	$121,816.66
Place Profit:		
Profit / 2	=	$60,908.33
Profit Per Dollar for 1st place:		
Place Profit / Gross Amount Bet on 1st place finisher	=	$2.5514548
$1 Unbroken Price for 1st place:		
Profit Per Dollar for 1st place + $1	=	$3.5514548
Profit Per Dollar for 2nd place:		
Place Profit / Gross Amount Bet on 2nd place finisher	=	$4.8726664
$1 Unbroken Price for 2nd place:		
Profit Per Dollar for 2nd place + $1	=	$5.8726664

D. Show Pools

1. The amounts wagered to Show on the 1st 3 betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into 3 equal portions, 1 being assigned to each winning betting interest and divided by the amount wagered to Show on that betting interest, the resulting quotient being the profit per dollar wagered to Show on that betting interest.
2. The net Show pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   a. If contestants of a coupled entry or mutuel field finished in the 1st 3 places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise
   b. If contestants of a coupled entry or mutuel field finished as 2 of the 1st 3 finishers, the profit is divided with 2/3rds distributed to those who selected the coupled entry or mutuel field and 1/3 distributed to those who selected the other betting interest included within the 1st 3 finishers; otherwise
   c. As a profit split to those whose selection is included within the 1st 3 finishers; but if there are no such wagers on 1 of those 3 finishers, then
   d. As a profit split to those who selected 1 of the 2 covered betting interests included within the 1st 3 finishers; but if there are no such wagers on 2 of those 3 finishers, then
   e. As a single price pool to those who selected the 1 covered betting interest included within the 1st 3 finishers; but if there are no such wagers, then
   f. As a single price pool to those who selected the 4th-place finisher; but if there are no such wagers, then
   g. The entire pool shall be refunded on Show wagers for that contest.
3. If there is a dead heat for 1st involving:
   a. 2 contestants representing the same betting interest, the profit is divided with 2/3rds distributed to those who selected the 1st-place finishers and 1/3rd distributed to those who selected the betting interest finishing 3rd.
   b. 3 contestants representing a single betting interest, the Show pool shall be distributed as a single price pool.

c. Contestants representing 2 or more betting interests, the Show pool shall be distributed as a profit split.

4. If there is a dead heat for 2nd involving:
   a. Contestants representing the same betting interest, the profit is divided with 1/3rd distributed to those who selected the betting interest finishing 1st and 2/3rds distributed to those who selected the 2nd-place finishers.
   b. Contestants representing 2 betting interests, the Show pool shall be distributed as a profit split.
   c. Contestants representing 3 betting interests, the Show pool is divided with 1/3rd of the profit distributed to Show wagers on the betting interest finishing 1st and the remainder is distributed equally among Show wagers on those betting interests involved in the dead heat for 2nd.
5. If there is a dead heat for 3rd involving:
   a. Contestants representing the same betting interest, the Show pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Show pool is divided with 2/3rds of the profit distributed to Show wagers on the betting interests finishing 1st and 2nd and the remainder is distributed equally among Show wagers on those betting interests involved in the dead heat for 3rd.

Table 3: SHOW POOL

(Standard Price Calculation)

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout		
Gross Pool x Percent Takeout	=	$34,724.34
Net Pool:		
Gross Pool - Takeout	=	$158,188.66
Gross Amount Bet on 1st place finisher	=	$23,872.00
Gross Amount Bet on 2nd place finisher	=	$12,500.00
Gross Amount Bet on 3rd place finisher	=	$4,408.00
Profit: Net Pool		
- Gross Amount Bet on 1st place finisher		
- Gross Amount Bet on 2nd place finisher		
- Gross Amount Bet on 3rd place finisher	=	$117,408.66
Show Profit:		
Profit / 3	=	$39,136.22
Profit Per Dollar for 1st place:		
Show Profit / Gross Amount Bet on 1st place finisher	=	$1.6394194
$1 Unbroken Price for 1st place:		
Profit Per Dollar for 1st place + $1	=	$2.6394194
Profit Per Dollar for 2nd place:		
Show Profit / Gross Amount Bet on 2nd place finisher	=	$3.1308976
$1 Unbroken Price for 2nd place		
Profit Per Dollar for 2nd place + $1	=	$4.1308976
Profit Per Dollar for 3rd place:		
Show Profit / Gross Amount Bet on 3rd place finisher	=	$8.8784528
$1 Unbroken Price for 3rd place		
Profit Per Dollar for 3rd place + $1	=	$9.8784528

Table 4: SHOW POOL
Single Takeout Rate & Single Betting Source
(Net Price Calculation)

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout:		
Gross Pool x Percent Takeout	=	$34,724.34
Total Net Pool:		
Gross Pool - Takeout	=	$158,188.66
Gross Amount Bet on 1st place finisher	=	$23,872.00
Net Amount Bet on 1st place finisher	=	$19,575.04
Gross Amount Bet on 2nd place finisher	=	$12,500.00
Net Amount bet on 2nd place finisher	=	$10,250.00
Gross Amount Bet on 3rd place finisher	=	$4,408.00
Net Amount Bet on 3rd place finisher	=	$3,614.56
Total Net Bet on Winners:		
Net Amount Bet on 1st place finisher + Net Amount Bet on 2nd place finisher + Net Amount Bet on 3rd place finisher	=	$33,439.60
Total Profit:		
Total Net Pool - Total Net Bet on Winners	=	$124,749.06
Show Profit:		
Total Profit / 3	=	$41,583.02
Profit Per Dollar for 1st place:		
Show Profit / Net Amount Bet on 1st place finisher	=	$2.1242879
$1 Unbroken Base Price for 1st place:		
Profit Per Dollar for 1st place + $1	=	$3.1242879
$1 Unbroken Price for 1st place:		
$1 Unbroken Base Price for 1st place x (1 - percent takeout)	=	$2.5619161
Profit Per Dollar for 2nd place:		
Show Profit / Net Amount Bet on 2nd place finisher	=	$4.0568800
$1 Unbroken Base Price for 2nd place:		
Profit Per Dollar for 2nd place + $1	=	$5.0568800
$1 Unbroken Price for 2nd place:		
$1 Unbroken Base Price for 2nd place x (1 - percent takeout)	=	$4.1466416
Profit Per Dollar for 3rd place:		
Show Profit / Net Amount Bet on 3rd place finisher	=	$11.504310
$1 Unbroken Base Price for 3rd place:		
Profit Per Dollar for 3rd place + $1	=	$12.504310
Unbroken Price for 3rd place:		
$1 Unbroken Base Price for 3rd place x (1 - percent takeout)	=	$10.253534

E. Double Pools

1. The Double requires selection of the 1st-place finisher in each of 2 specified contests.
2. The net Double pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   a. As a single price pool to those whose selection finished 1st in each of the 2 contests; but if there are no such wagers, then
   b. As a profit split to those who selected the 1st-place finisher in either of the 2 contests; but if there are no such wagers, then
   c. As a single price pool to those who selected the 1 covered 1st-place finisher in either contest; but if there are no such wagers, then
   d. As a single price pool to those whose selection finished 2nd in each of the 2 contests; but if there are no such wagers, then
   e. The entire pool shall be refunded on Double wagers for those contests.

3. If there is a dead heat for 1st in either of the 2 contests involving:
   a. Contestants representing the same betting interest, the Double pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Double pool shall be distributed as a profit split if there is more than 1 covered winning combination.
4. Should a betting interest in the 1st-half of the Double be scratched prior to the 1st Double contest being declared official, all money wagered on combinations including the scratched betting interest shall be deducted from the Double pool and refunded.
5. Should a betting interest in the 2nd-half of the Double be scratched prior to the close of wagering on the 1st Double contest, all money wagered on combinations including the scratched betting interest shall be deducted from the Double pool and refunded.
6. Should a betting interest in the 2nd-half of the Double be scratched after the close of wagering on the 1st Double contest, all wagers combining the winner of the 1st contest with the scratched betting interest in the 2nd contest shall be allocated a consolation payoff. In calculating the consolation payoff the net Double pool shall be divided by the total amount wagered on the winner of the 1st contest and an unbroken consolation price obtained. The broken consolation price is multiplied by the dollar value of wagers on the winner of the 1st contest combined with the scratched betting interest to obtain the consolation payoff. Breakage is not declared in this calculation. The consolation payoff is deducted from the net Double pool before calculation and distribution of the winning Double payoff. Dead heats including separate betting interests in the 1st contest shall result in a consolation payoff calculated as a profit split.
7. If either of the Double contests are cancelled prior to the 1st Double contest, or the 1st Double contest is declared “no contest”, the entire Double pool shall be refunded on Double wagers for those contests.
8. If the 2nd Double contest is cancelled or declared “no contest” after the conclusion of the 1st Double contest, the net Double pool shall be distributed as a single price pool to wagers selecting the winner of the 1st Double contest. In the event of a dead heat involving separate betting interests, the net Double pool shall be distributed as a profit split.

Table 5: DOUBLE POOL
(Standard Price Calculation)

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout:		
Gross Pool x Percent Takeout	=	$34,724.34
Net Pool:		
Gross Pool -Takeout	=	$158,188.66
Gross Amount Bet on Winning Combination	=	$23,872.00
Profit:		
Net Pool - Gross Amount Bet on Winning Combination	=	$134,316.66
Profit Per Dollar:		
Profit / Gross Amount Bet on Winning Combination	=	$5.6265357
$1 Unbroken Price:		
Profit Per Dollar + $1	=	$6.6265357

Table 6: DOUBLE POOL
CONSOLATION PRICING

Sum of Wagers on All Betting Interests	=	$194,230.00
Refunds	=	$1,317.00
Gross Pool:		
Sum of Wagers on All Betting Interests - Refunds	=	$192,913.00
Percent Takeout	=	18%
Takeout:		
Gross Pool x Percent Takeout	=	$34,724.34
Net Pool:		
Gross Pool -Takeout	=	$158,188.66
Consolation Pool:		
Sum Total Amount Bet on winner of the 1st contest with all 2nd contest betting interests	=	$43,321.00
$1 Consolation Unbroken Consolation Price:		
Net Pool / Consolation Pool	=	$3.6515468
$1 Consolation Broken Price	=	$3.65
Amount Bet on winner of the 1st contest with scratched betting interests:	=	$1,234.00
Consolation Liability:		
$1 Consolation Broken Price x (Amount Bet on the winner of the 1st contest with scratched betting interests)	=	$4,504.10
Adjusted Net Pool:		
Net Pool - Consolation Liability	=	$153,684.56
Gross Amount Bet on the Winning Combination	=	$23,872.00
Profit:		
Adjusted Net Pool - Gross Amount Bet on the Winning Combination	=	$129,812.56
Profit Per Dollar:		
Profit / Gross Amount Bet on the Winning Combination	=	$5.4378586
$1 Unbroken Price:		
Profit Per Dollar + $1	=	$6.4378586

F. Pick 3 Pools

1. The Pick 3 requires selection of the 1st-place finisher in each of 3 specified contests.
2. The net Pick 3 pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   a. As a single price pool to those whose selection finished 1st in each of the 3 contests; but if there are no such wagers, then
   b. As a single price pool to those who selected the 1st-place finisher in any 2 of the 3 contests; but if there are no such wagers, then
   c. As a single price pool to those who selected the 1st-place finisher in any 1 of the 3 contests; but if there are no such wagers, then
   d. The entire pool shall be refunded on Pick 3 wagers for those contests.
3. If there is a dead heat for 1st in any of the 3 contests involving:
   a. Contestants representing the same betting interest, the Pick 3 pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Pick 3 pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.
4. Should a betting interest in any of the 3 Pick 3 contests be scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for 2 or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.
5. If all 3 Pick 3 contests are cancelled or declared “no contest”, the entire pool shall be refunded on Pick 3 wagers for those contests.
6. If 1 or 2 of the Pick 3 contests are cancelled or declared “no contest”, the Pick 3 pool shall remain valid and shall be distributed in accordance with subsection (F)(2) of this rule.

G. Pick (n) Pools

1. The Pick (n) requires selection of the 1st-place finisher in each of a designated number of contests. The permittee

must obtain written approval from the Department concerning the scheduling of Pick (n) contests, the designation of 1 of the methods prescribed in subsection (G)(2), and the amount of any cap to be set on the carryover. Any changes to the approved Pick (n) format require prior approval from the Department.

2. The Pick (n) pool shall be apportioned under 1 of the following methods:
   a. *Method 1, Pick (n) with Carryover:* The net Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the 1st-place finisher in each of the Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the 1st-place finisher in the greatest number of Pick (n) contests; and the remainder shall be added to the carryover.
   b. *Method 2, Pick (n) with Minor Pool and Carryover:* The major share of the net Pick (n) pool and the carryover, if any, shall be distributed to those who selected the 1st-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the 1st-place finisher in the 2nd greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st-place finisher of all Pick (n) contests, the minor share of the net Pick (n) pool shall be distributed as a single price pool to those who selected the 1st-place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover.
   c. *Method 3, Pick (n) with No Minor Pool and No Carryover:* The net Pick (n) pool shall be distributed as the single price pool to those who selected the 1st-place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool is refunded.
   d. *Method 4, Pick (n) with Minor Pool and No Carryover:* The major share of the net Pick (n) pool shall be distributed to those who selected the 1st-place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the 1st-place finisher in the 2nd greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st-place finisher in a 2nd greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the 1st-place finisher in the greatest number of Pick (n) contests. If the greatest number of 1st-place finishers selected is 1, the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.
   e. *Method 5, Pick (n) with Minor Pool and No Carryover:* The major share of net Pick (n) pool shall be distributed to those who selected the 1st-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the 1st-place finisher in the 2nd greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st-place finisher in all Pick (n) contests, the entire net Pick (n) pool shall be distributed as a single pool to those who selected the 1st-place finisher in the greatest number of Pick (n) contests. If there are no wagers selecting the 1st-place finisher in a 2nd greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the 1st-place finisher in each of the Pick (n) contests. If there are no winning wagers, the pool is refunded.
3. If there is a dead heat for 1st in any of the Pick (n) contests involving:
   a. Contestants representing the same betting interest, the Pick (n) pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Pick (n) pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.
4. Should a betting interest in any of the Pick (n) contests be scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for 2 or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.
5. The Pick (n) pool shall be cancelled and all Pick (n) wagers for the individual performance shall be refunded if:
   a. At least 2 contests included as part of a Pick 3 are cancelled or declared “no contest”.
   b. At least 3 contests included as part of a Pick 4, Pick 5, or Pick 6 are cancelled or declared “no contest”.
   c. At least 4 contests included as part of a Pick 7, Pick 8, or Pick 9 are cancelled or declared “no contest”.
   d. At least 5 contests included as part of a Pick 10 are cancelled or declared “no contest”.
6. If at least 1 contest included as part of a Pick (n) is cancelled or declared “no contest”, but not more than the number specified in subsection (G)(5) of this rule, the net pool shall be distributed as a single price pool to those whose selection finished 1st in the greatest number of Pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.
7. The Pick (n) carryover may be capped at a designated level approved by the Department so that if, at the close of any performance, the amount in the Pick (n) carryover equals or exceeds the designated cap, the Pick (n) carryover will be frozen until it is won or distributed under other provisions of this rule. After the Pick (n) carryover is frozen, 100% of the net pool, part of which ordinarily would be added to the Pick (n) carryover, shall be distributed to those whose selection finished 1st in the greatest number of Pick (n) contests for that performance.
8. A written request for permission to distribute the Pick (n) carryover on a specific performance may be submitted to the Department. The request shall contain justification for

the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.

9. Should the Pick (n) carryover be designated for distribution on the final day of the meeting or on another specified date on which there are no wagers selecting the 1st-place finisher in each of the Pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished 1st in the greatest number of Pick (n) contests. The Pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:
   a. Upon written approval from the Department as provided in subsection (G)(8) of this rule.
   b. Upon written approval from the Department when there is a change in the carryover cap, a change from 1 type of Pick (n) wagering to another, or when the Pick (n) is discontinued.
   c. On the closing performance of the meet or split meet.
10. If, for any reason, the Pick (n) carryover must be held over to the corresponding Pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Department. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n) pool of the following meet on a date and performance so designated by the Department.
11. With the written approval of the Department, the permittee may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.
12. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is strictly prohibited. This shall not prohibit necessary communication between totalisator and pari-mutuel department employees for processing of pool data.
13. The permittee may suspend previously approved Pick (n) wagering with the prior approval of the Department. Any carryover shall be held until the suspended Pick (n) wagering is reinstated. A permittee may request approval of a Pick (n) wager or separate wagering pool for specific performances.

Table 7: PICK 7 POOL
Multiple Takeout Rates & Multiple Betting Sources
(Net Price Calculation)

	Percent Takeout	*Gross Pool*	*Gross Amt. Bet on Win*	*Net Pool*	*Net Amt. Bet on Win*
Source 1:	*16%*	*$190,000.00*	*$44.00*	*$159,600.00*	*$36.96*
Source 2:	*18.5%*	*$10,000.00*	*$18.00*	*$8,150.00*	*$14.67*
Source 3:	*21%*	*$525,730.00*	*$124.00*	*$415,326.70*	*$97.96*
TOTALS:		*$725,730.00*	*$186.00*	*$583,076.70*	*$149.59*

Total Profit:		
Total Net Pool - Total Net Bet on the Winning Combination	=	$582,927.11
Profit Per Dollar:		
Total Profit / Total Net Bet on the Winning Combination	=	$3,896.8321
$1 Unbroken Base Price:		
Profit Per Dollar + $1	=	$3,897.8321
$1 Unbroken Price for Source 1:		
$1 Unbroken Base Price x (1 - Percent Takeout)	=	$3,274.1789
$1 Unbroken Price for Source 2:		
$1 Unbroken Base Price x (1 - Percent Takeout)	=	$3,176.7331
$1 Unbroken Price for Source 3:		
$1 Unbroken Base Price x (1 - Percent Takeout)	=	$3,079.2873

H. Place Pick (n) Pools

1. The Place Pick (n) requires selection of the 1st- or 2nd-place finisher in each of a designated number of contests. The permittee must obtain written approval from the Department concerning the scheduling of Place Pick (n) contests, the designation of 1 of the methods prescribed in subsection (H)(2), the distinctive name identifying the pool and the amount of any cap to be set on the carryover. Any changes to the approved Place Pick (n) format require prior approval from the Department.
2. The Place Pick (n) pool shall be apportioned under 1 of the following methods:
   a. *Method 1, Place Pick (n) with Carryover:* The net Place Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the 1st- or 2nd-place finisher in each of the Place Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests; and the remainder shall be added to the carryover.
   b. *Method 2, Place Pick (n) with Minor Pool and Carryover:* The major share of the net Place Pick (n) pool and the carryover, if any, shall be distributed to those who selected the 1st- or 2nd-place finisher in each of the Place Pick (n) contests, based upon the

official order of finish. The minor share of the net Place Pick (n) pool shall be distributed to those who selected the 1st- or 2nd-place finisher in the 2nd greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st- or 2nd-place finisher of all Place Pick (n) contests, the minor share of the net Place Pick (n) pool shall be distributed as a single price pool to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests; and the major share shall be added to the carryover.

c. *Method 3, Place (n) Pick with No Minor Pool and No Carryover:* The net Place Pick (n) pool shall be distributed as a single price pool to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no major winning wagers, the pool is refunded.

d. *Method 4, Place Pick (n) with Minor Pool and No Carryover:* The major share of the net Place Pick (n) pool shall be distributed to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests, based upon the official order of finish. The minor share of the net Place Pick (n) pool shall be distributed to those who selected the 1st- or 2nd-place finisher in the 2nd greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st- or 2nd-place finisher in a 2nd greatest number of Place Pick (n) contests, the minor share of the net Place Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests. If the greatest number of 1st- or 2nd-place finishers selected is 1, the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.

e. *Method 5, Place Pick (n) with Minor Pool and No Carryover:* The major share of the net Place Pick (n) pool shall be distributed to those who selected the 1st- or 2nd-place finisher in each of the Place Pick (n) contests, based upon the official order of finish. The minor share of the net Place Pick (n) pool shall be distributed to those who selected the 1st- or 2nd-place finisher in the 2nd greatest number of Place Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the 1st- or 2nd-place finisher in all Place Pick (n) contests, the entire net Place Pick (n) pool shall be distributed as a single price pool to those who selected the 1st- or 2nd-place finisher in the greatest number of Place Pick (n) contests. If there are no wagers selecting the 1st or 2nd-place finisher in a 2nd greatest number of Place Pick (n) contests, the minor share of the net Place Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the 1st- or 2nd-place finisher in each of the Place Pick (n) contests. If there are no winning wagers, the pool is refunded.

3. If there is a dead heat for 1st in any of the Place Pick (n) contests involving:
   a. Contestants representing the same betting interest, the Place Pick (n) pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Place Pick (n) pool shall be distributed as a single price pool with a winning wager including each betting interest participating in the dead heat.
4. If there is a dead heat for 2nd in any of the Place Pick (n) contests involving:
   a. Contestants representing the same betting interest, the Place Pick (n) pool shall be distributed as if no dead heat occurred.
   b. Contestants representing 2 or more betting interests, the Place Pick (n) pool shall be distributed as a single price pool with a winning wager including the betting interest which finished 1st or any betting interest involved in a dead heat for 2nd.
5. Should a betting interest in any Place Pick (n) contest be scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for 2 or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.
6. The Place Pick (n) pool shall be cancelled and all Place Pick (n) wagers for the individual performance shall be refunded if:
   a. At least 2 contests included as part of a Place Pick 3 are cancelled or declared “no contest”.
   b. At least 3 contests included as part of a Place Pick 4, Place Pick 5, or Place Pick 6 are cancelled or declared “no contest”.
   c. At least 4 contests included as part of a Place Pick 7, Place Pick 8, or Place Pick 9 are cancelled or declared “no contest”.
   d. At least 5 contests included as part of a Place Pick 10 are cancelled or declared “no contest”.
7. If at least 1 contest included as part of a Place Pick (n) is cancelled or declared “no contest”, but not more than the number specified in subsection (H)(6) of this rule, the net pool shall be distributed as a single price pool to those whose selection finished 1st or 2nd in the greatest number of Place Pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the Place Pick (n) carryover but not the carryover from previous performances.
8. The Place Pick (n) carryover may be capped at a designated level approved by the Department so that if, at the close of any performance, the amount in the Place Pick (n) carryover equals or exceeds the designated cap, the Place Pick (n) carryover will be frozen until it is won or distributed under other provisions of this rule. After the Place Pick (n) carryover is frozen, 100% of the net pool, part of which ordinarily would be added to the Place Pick (n) carryover, shall be distributed to those whose selection finished 1st or 2nd in the greatest number of Place Pick (n) contests for that performance.
9. A written request for permission to distribute the Place Pick (n) carryover on a specific performance may be submitted to the Department. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.

10. Should the Place Pick (n) carryover be designated for distribution on a specified date and performance in which there are no wagers selecting the 1st- or 2nd-place finisher in each of the Place Pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished 1st or 2nd in the greatest number of Place Pick (n) contests. The Place Pick (n) carryover shall be designated for distribution on a specified date and performance under any of the following circumstances:
    a. Upon written approval from the Department as provided in subsection (H)(9) of this rule.
    b. Upon written approval from the Department when there is a change in the carryover cap, a change from 1 type of Place Pick (n) wagering to another, or when the Place Pick (n) is discontinued.
    c. On the closing performance of the meet or split meet.
11. If, for any reason, the Place Pick (n) carryover must be held over to the corresponding Place Pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Department. The Place Pick (n) carryover plus accrued interest shall then be added to the net Place Pick (n) pool of the following meet on a date and performance so designated by the Department.
12. With the written approval of the Department, the permittee may contribute to the Place Pick (n) carryover a sum of money up to the amount of any designated cap.
13. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is strictly prohibited. This shall not prohibit necessary communication between totalisator and pari-mutuel department employees for processing of pool data.
14. The permittee may suspend previously approved Place Pick (n) wagering with the prior approval of the Department. Any carryover shall be held until the suspended Place Pick (n) wagering is reinstated. A permittee may request approval of a Place Pick (n) wager or separate wagering pool for specific performances.

I. Quinella Pools
1. The Quinella requires selection of the 1st 2 finishers, irrespective of order, for a single contest.
2. The net Quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
    a. If contestants of a coupled entry or mutuel field finish as the 1st 2 finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise
    b. As a single price pool to those whose combination finished as the 1st 2 betting interests; but if there are no such wagers, then
    c. As a profit split to those whose combination included either the 1st- or 2nd-place finisher; but if there are no such wagers on one of the those 2 finishers, then
    d. As a single price pool to those whose combination included the 1 covered betting interest included within the 1st 2 finishers; but if there are no such wagers, then
    e. The entire pool shall be refunded on Quinella wagers for that contest.
3. If there is a dead heat for 1st involving:
    a. Contestants representing the same betting interest, the Quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish.
    b. Contestants representing 2 betting interests, the Quinella pool shall be distributed as if no dead heat occurred.
    c. Contestants representing 3 or more betting interests, the Quinella pool shall be distributed as a profit split.
4. If there is a dead heat for 2nd involving contestants representing the same betting interest, the Quinella pool shall be distributed as if no dead heat occurred.
5. If there is a dead heat for 2nd involving contestants representing 2 or more betting interests, the Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:
    a. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for 2nd, but if there is only 1 covered combination, then
    b. As a single price pool to those combining the winner with the 1 covered betting interest involved in the dead heat for 2nd; but if there are no such wagers, then
    c. As a profit split to those combining the betting interests involved in the dead heat for 2nd; but if there are no such wagers, then
    d. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for 2nd; but if there are no such wagers, then
    e. The entire pool shall be refunded on Quinella wagers for that contest.

J. Quinella Double Pools
1. The Quinella Double requires selection of the 1st 2 finishers, irrespective of order, in each of 2 specified contests.
2. The net Quinella Double pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
    a. If a coupled entry or mutuel field finishes as the 1st 2 contestants in either contest, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest, as well as the 1st 2 finishers in the alternate Quinella Double contest; otherwise
    b. As a single price pool to those who selected the 1st 2 finishers in each of the 2 Quinella Double contests; but if there are no such wagers, then
    c. As a profit split to those who selected the 1st 2 finishers in either of the 2 Quinella Double contests; but if there are no such wagers on 1 of those contests, then
    d. As a single price pool to those who selected the 1st 2 finishers in the 1 covered Quinella Double contest; but if there were no such wagers, then
    e. The entire pool shall be refunded on Quinella Double wagers for those contests.
3. If there is a dead heat for 1st in either of the 2 Quinella Double contests involving:
    a. Contestants representing the same betting interest, the Quinella Double pool shall be distributed to

those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest.

b. Contestants representing 2 betting interests, the Quinella Double pool shall be distributed as if no dead heat occurred.

c. Contestants representing 3 or more betting interests, the Quinella Double pool shall be distributed as a profit split.

4. If there is a dead heat for 2nd in either of the Quinella Double contests involving contestants representing the same betting interest, the Quinella Double pool shall be distributed as if no dead heat occurred.

5. If there is a dead heat for 2nd in either of the Quinella Double contests involving contestants representing 2 or more betting interests, the Quinella Double pool shall be distributed as profit split.

6. Should a betting interest in the 1st half of the Quinella Double be scratched prior to the 1st Quinella Double contest being declared official, all money wagered on combinations including the scratched betting interest shall deducted from the Quinella Double pool and refunded.

7. Should a betting interest in the 2nd half of the Quinella Double be scratched prior to the close of wagering on the 1st Quinella Double contest, all money wagered on combinations including the scratched betting interest shall be deducted from the Quinella Double pool and refunded.

8. Should a betting interest in the 2nd half of the Quinella Double be scratched after the close of wagering on the 1st Quinella Double contest, all wagers combining the winning combination in the 1st contest with a combination including the scratched betting interest in the 2nd contest shall be allocated a consolation payoff. In calculating the consolation payoff, the net Quinella Double pool shall be divided by the total amount wagered on the winning combination in the 1st contest and an unbroken consolation price obtained. The unbroken consolation price is multiplied by the dollar value of wagers on the winning combination in the 1st contest combined with a combination including the scratched betting interest in the 2nd contest to obtain the consolation payoff. Breakage is not utilized in this calculation. The consolation payoff is deducted from the net Quinella Double pool before calculation and distribution of the winning Quinella Double payoff. In the event of a dead heat involving separate betting interests, the net Quinella Double pool shall be distributed as a profit split.

9. If either of the Quinella Double contests is cancelled prior to the 1st Quinella Double contest, or the 1st Quinella Double contest is declared “no contest”, the entire Quinella Double pool shall be refunded on Quinella Double wagers for those contests.

10. If the 2nd Quinella Double contest is cancelled or declared “no contest” after the conclusion of the 1st Quinella Double contest, the net Quinella Double pool shall be distributed as a single price pool to wagers selecting the winning combination in the 1st Quinella Double contest. If there are no wagers selecting the winning combination in the 1st Quinella Double contest, the entire Quinella Double pool shall be refunded on Quinella Double wagers for those contests.

K. Exacta Pools

1. The Exacta requires selection of the 1st 2 finishers, in their exact order, for a single contest.

2. The net Exacta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

a. If contestants of a coupled entry or mutuel field finish as the 1st 2 finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise

b. As a single price pool to those whose combination finished in correct sequence as the 1st 2 betting interests; but if there are no such wagers, then

c. As a profit split to those whose combination included either the 1st-place betting interest to finish 1st or the 2nd-place betting interest to finish 2nd; but if there are no such wagers on 1 of those 2 finishers, then

d. As a single price pool to those whose combination included the 1 covered betting interest to finish 1st or 2nd in the correct sequence; but if there are no such wagers, then

e. The entire pool shall be refunded on Exacta wagers for that contest.

3. If there is a dead heat for 1st involving:

a. Contestants representing the same betting interest, the Exacta pool shall be distributed as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish.

b. Contestants representing 2 or more betting interests, the Exacta pool shall be distributed as a profit split.

4. If there is a dead heat for 2nd involving contestants representing the same betting interest, the Exacta pool shall be distributed as if no dead heat occurred.

5. If there is a dead heat for 2nd involving contestants representing 2 or more betting interests, the Exacta pool shall be distributed to ticket holders in the following precedence, based upon the official order of finish:

a. As a profit split to those combining the 1st-place betting interest with any of the betting interests involved in the dead heat for 2nd; but if there is only 1 covered combination, then

b. As a single price pool to those combining the 1st-place betting interest with the 1 covered betting interest involved in the dead heat for 2nd; but if there are no such wagers, then

c. As a profit split to those wagers correctly selecting the winner for 1st place and those wagers selecting any of the dead-heated betting interests for 2nd place; but if there are no such wagers, then

d. The entire pool shall be refunded on Exacta wagers for that contest.

L. Trifecta Pools

1. The Trifecta requires selection of the 1st 3 finishers, in their exact order, for a single contest.

2. The net Trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then

b. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then

c. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then

d. The entire pool shall be refunded on Trifecta wagers for that contest.

3. If less than 3 betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.
4. If there is a dead heat for 1st involving:
   a. Contestants representing 3 or more betting interests, all of the wagering combinations selecting 3 betting interests which correspond with any of the betting interests involved in the dead heat shall share in a profit split.
   b Contestants representing 2 betting interests, both of the wagering combinations selecting the 2 dead-heated betting interests, irrespective of order, along with the 3rd-place betting interest shall share in a profit split.
5. If there is a dead heat for 2nd, all of the combinations correctly selecting the winner combined with any of the betting interests involved in the dead heat for 2nd shall share in a profit split.
6. If there is a dead heat for 3rd, all wagering combinations correctly selecting the 1st 2 finishers, in correct sequence, along with any of the betting interests involved in the dead heat for 3rd shall share in a profit split.

M. Superfecta Pools

1. The Superfecta requires selection of the 1st 4 finishers, in their exact order, for a single contest.
2. The net Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   a. As a single price pool to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such wagers, then
   b. As a single price pool to those whose combination included, in correct sequence, the 1st 3 betting interests; but if there are no such wagers, then
   c. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
   d. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
   e. The entire pool shall be refunded on Superfecta wagers for that contest.
3. If less than 4 betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.
4. If there is a dead heat for 1st involving:
   a. Contestants representing 4 or more betting interests, all of the wagering combinations selecting 4 betting interests which correspond with any of the betting interests involved in the dead heat shall share in a profit split.
   b. Contestants representing 3 betting interests, all of the wagering combinations selecting the 3 dead-heated betting interests, irrespective of order, along with the 4th-place betting interest shall share in a profit split.
   c. Contestants representing 2 betting interests, both of the wagering combinations selecting the 2 dead-heated betting interests, irrespective of order, along with the 3rd-place and 4th-place betting interests shall share in a profit split.
5. If there is a dead heat for 2nd involving:
   a. Contestants representing 3 or more betting interests, all of the wagering combinations correctly selecting the winner combined with any of the 3 betting interests involved in the dead heat for 2nd shall share in a profit split.
   b. Contestants representing 2 betting interests, all of the wagering combinations correctly selecting the winner, the 2 dead-heated betting interests, irrespective of order, and the 4th-place betting interest shall share in a profit split.
6. If there is a dead heat for 3rd, all wagering combinations correctly selecting the 1st 2 finishers, in correct sequence, along with any 2 of the betting interests involved in the dead heat for 3rd shall share in a profit split.
7. If there is a dead heat for 4th, all wagering combinations correctly selecting the 1st 3 finishers, in correct sequence, along with any of the betting interests involved in the dead heat for 4th shall share in a profit split.
8. Coupled entries and mutuel fields shall be prohibited in Superfecta contests.

N. Twin Quinella Pools

1. The Twin Quinella requires selection of the 1st 2 finishers, irrespective of order, in each of 2 designated contests. Each winning ticket for the 1st Twin Quinella contest must be exchanged for a free ticket on the 2nd Twin Quinella contest in order to remain eligible for the 2nd-half Twin Quinella pool. Such tickets may be exchanged only at attended ticket windows prior to the 2nd Twin Quinella contest. There will be no monetary reward for winning the 1st Twin Quinella contest. Both of the designated Twin Quinella contests shall be included in only 1 Twin Quinella pool.
2. In the 1st Twin Quinella contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the 1st Twin Quinella contest:
   a. If a coupled entry or mutuel field finishes as the 1st 2 finishers, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners; otherwise
   b. Those whose combination finished as the 1st 2 betting interests shall be winners; but if there are no such wagers, then
   c. Those whose combination included either the 1st- or 2nd-place finisher shall be winners; but if there are no such wagers on 1 of those 2 finishers, then
   d. Those whose combination included the 1 covered betting interest included within the 1st 2 finishers shall be winners; but if there are no such wagers, then
   e. The entire pool shall be refunded on Twin Quinella wagers for that contest.
3. In the 1st Twin Quinella contest only, if there is a dead heat for 1st involving:
   a. Contestants representing the same betting interest, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners.
   b. Contestants representing 2 betting interests, the winning Twin Quinella wagers shall be determined as if no dead heat occurred.

c. Contestants representing 3 or more betting interests, those whose combination included any 2 of the betting interests finishing in the dead heat shall be winners.

4. In the 1st Twin Quinella contest only, if there is a dead heat for 2nd involving contestants representing 2 or more betting interests, the Twin Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:
   a. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for 2nd; but if there is only 1 covered combination, then
   b. As a single price pool to those combining the winner with the 1 covered betting interest involved in the dead heat for 2nd, but if there are no such wagers, then
   c. As a profit split to those combining the betting interests involved in the dead heat for 2nd; but if there are no such wagers, then
   d. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for 2nd; but if there are no such wagers, then
   e. The entire pool shall be refunded on Twin Quinella wagers for the contest.
5. In the 2nd Twin Quinella contest only, the entire net Twin Quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 2nd Twin Quinella contest:
   a. If a coupled entry or mutuel field finishes as the 1st 2 finishers, as a single price pool to those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise
   b. As a single price pool to those whose combination finished as the 1st 2 betting interests; but if there are no such wagers, then
   c. As a profit split to those whose combination included either the 1st- or 2nd-place finisher; but if there are no such wagers on 1 of those 2 finishers, then
   d. As a single price pool to those whose combination included the 1 covered betting interest included within the 1st 2 finishers; but if there are no such wagers, then
   e. As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, then
   f. In accordance with subsection (N)(2) of the Twin Quinella rules.
6. In the 2nd Twin Quinella contest only, if there is a dead heat for 1st involving:
   a. Contestants representing the same betting interest, the net Twin Quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish.
   b. Contestants representing 2 betting interests, the net Twin Quinella pool shall be distributed as if no dead heat occurred.
   c. Contestants representing 3 or more betting interests, the net Twin Quinella pool shall be distributed as a profit split to those whose combination included any 2 of the betting interests finishing in the dead heat.
7. In the 2nd Twin Quinella contest only, if there is a dead heat for 2nd involving contestants representing 2 or more betting interests, the Twin Quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:
   a. As a profit split to those combining the winner with any of the betting interests involved in the dead heat for 2nd; but if there is only 1 covered combination, then
   b. As a single price pool to those combining the winner with the 1 covered betting interest involved in the dead heat for 2nd; but if there are no such wagers, then
   c. As a profit split to those combining the betting interests involved in the dead heat for 2nd; but if there are no such wagers, then
   d. As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for 2nd, then
   e. As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, then
   f. In accordance with subsection (N)(2) of the Twin Quinella rules.
8. If a winning ticket for the 1st-half of the Twin Quinella is not presented for exchange prior to the close of betting on the 2nd-half Twin Quinella contest, the ticket holder forfeits all rights to any distribution of the Twin Quinella pool resulting from the outcome of the 2nd contest.
9. Should a betting interest in the 1st half of the Twin Quinella be scratched, those Twin Quinella wagers including the scratched betting interest shall be refunded.
10. Should a betting interest in the 2nd half of the Twin Quinella be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the 2nd Twin Quinella contest, the ticket holder forfeits all rights to the Twin Quinella pool.
11. If either of the Twin Quinella contests is cancelled prior to the 1st Twin Quinella contest, or the 1st Twin Quinella contest is declared “no contest”, the entire Twin Quinella pool shall be refunded on Twin Quinella wagers for that contest.
12. If the 2nd-half Twin Quinella contest is cancelled or declared “no contest” after the conclusion of the 1st Twin Quinella contest, the net Twin Quinella pool shall be distributed as a single price pool to wagers selecting the winning combination in the 1st Twin Quinella contest and all valid exchange tickets. If there are no such wagers, the net Twin Quinella pool shall be distributed as described in subsection (N)(2) of the Twin Quinella rules.

O. Twin Trifecta Pools

1. The Twin Trifecta requires selection of the 1st 3 finishers, in their exact order, in each of 2 designated contests. Each winning ticket for the 1st Twin Trifecta contest must be exchanged for a free ticket on the 2nd Twin Trifecta contest in order to remain eligible for the 2nd-half Twin Trifecta pool. Such tickets may be exchanged only at attended ticket windows prior to the 2nd Twin Trifecta contest. Winning 1st-half Twin Trifecta wagers will receive both an exchange and a monetary payoff. Both of the designated Twin Trifecta contests shall be included in only 1 Twin Trifecta pool.

2. After wagering closes for the 1st half of the Twin Trifecta and commissions have been deducted from the pool, the net pool shall then be divided into separate pools: the 1st-half Twin Trifecta pool and the 2nd-half Twin Trifecta pool.
3. In the 1st Twin Trifecta contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the 1st Twin Trifecta contest:
   a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then
   b. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
   c. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
   d. The entire Twin Trifecta pool shall be refunded on Twin Trifecta wagers for that contest and the 2nd half shall be cancelled.
4. If no 1st-half Twin Trifecta ticket selects the 1st 3 finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the 2nd-half Twin Trifecta pool. In such case, the 2nd-half Twin Trifecta pool shall be retained and added to any existing Twin Trifecta carryover pool.
5. Winning tickets from the 1st half of the Twin Trifecta shall be exchanged for tickets selecting the 1st 3 finishers of the 2nd-half of the Twin Trifecta. The 2nd-half Twin Trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 2nd Twin Trifecta contest:
   a. As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such tickets, then
   b. The entire 2nd-half Twin Trifecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding 2nd-half Twin Trifecta pool of the next consecutive performance.
6. If a winning 1st-half Twin Trifecta ticket is not presented for cashing and exchange prior to the 2nd-half Twin Trifecta contest, the ticket holder may still collect the monetary value associated with the 1st-half Twin Trifecta pool but forfeits all rights to any distribution of the 2nd-half Twin Trifecta pool.
7. Coupled entries and mutuel fields shall be prohibited in Twin Trifecta contests.
8. Should a betting interest in the 1st half of the Twin Trifecta be scratched, those Twin Trifecta wagers including the scratched betting interest shall be refunded.
9. Should a betting interest in the 2nd-half of the Twin Trifecta be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the 2nd Twin Trifecta contest, the ticket holder forfeits all rights to the 2nd-half Twin Trifecta pool.
10. If, due to a late scratch, the number of betting interests in the 2nd half of the Twin Trifecta is reduced to fewer than the minimum, all exchange tickets and outstanding 1st-half winning tickets shall be entitled to the 2nd-half Twin Trifecta pool for that contest as a single price pool, but not the Twin-Trifecta carryover.
11. If there is a dead heat or multiple dead heats in either the 1st- or 2nd-half of the Twin Trifecta, all Twin Trifecta wagers selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, shall be a winner. In the case of a dead heat occurring in:
    a. The 1st half of the Twin Trifecta, the payoff shall be calculated as a profit split.
    b. The 2nd half of the Twin Trifecta, the payoff shall be calculated as a single price pool.
12. If either of the Twin Trifecta contests are cancelled prior to the 1st Twin Trifecta contest, or the 1st Twin Trifecta contest is declared “no contest”, the entire Twin Trifecta pool shall be refunded on Twin Trifecta wagers for that contest and the 2nd half shall be cancelled.
13. If the 2nd-half Twin Trifecta contest is cancelled or declared “no contest”, all exchange tickets and outstanding 1st-half winning Twin Trifecta tickets shall be entitled to the net Twin Trifecta pool for that contest as a single price pool, but not Twin-Trifecta carryover. If there are no such tickets, the net Twin Trifecta pool shall be distributed as described in subsection (O)(3) of the Twin Trifecta rules.
14. The Twin-Trifecta carryover may be capped at a designated level approved by the Department so that if, at the close of any performance, the amount in the Twin- Trifecta carryover equals or exceeds the designated cap, the Twin-Trifecta carryover will be frozen until it is won or distributed under other provisions of this rule. After the Twin Trifecta carryover is frozen, 100% of the net Twin Trifecta pool for each individual contest shall be distributed to carryover winners of the 1st half of the Twin Trifecta pool.
15. A written request for permission to distribute the Twin-Trifecta carryover on a specific performance may be submitted to the Department. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.
16. Should the Twin-Trifecta carryover be designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the 2nd half of the Twin Trifecta after completion of the 1st half of the Twin Trifecta:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
    c. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
    d. As a single price pool to holders of valid exchange tickets.
    e. As a single price pool to holders of outstanding 1st-half winning tickets.
17. Contrary to subsection (O)(4) of the Twin Trifecta rules, during a performance designated to distribute the Twin-Trifecta carryover, exchange tickets will be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the 1st half of the Twin Trifecta. If there are no wagers correctly selecting the 1st-, 2nd-, and 3rd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st- and 2nd-place

betting interests. If there are no wagers correctly selecting the 1st- and 2nd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st-place betting interest only. If there are no wagers selecting the 1st-place betting interest only in the 1st half of the Twin Trifecta, all 1st-half tickets will become winners and will receive 100% of that day's net Twin Trifecta pool and any existing Twin-Trifecta carryover as a single price pool.

18. The Twin-Trifecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:
    a. Upon written approval from the Department as provided in subsection (O)(15) of the Twin Trifecta rules.
    b. Upon written approval from the Department when there is a change in the carryover cap or when the Twin Trifecta is discontinued.
    c. On the closing performance of the meet or split meet.
19. If, for any reason, the Twin-Trifecta carryover must be held over to the corresponding Twin Trifecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Department. The Twin-Trifecta carryover plus accrued interest shall then be added to the 2nd-half Twin Trifecta pool of the following meet on a date and performance so designated by the Department.
20. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of valid exchange tickets is prohibited. This shall not prohibit necessary communication between totalisator and pari-mutuel department employees for processing of pool data.
21. The permittee must obtain written approval from the Department concerning the scheduling of Twin Trifecta contests, the percentages of the net pool added to the 1st-half pool and 2nd-half pool, and the amount of any cap to be set on the carryover. Any changes to the approved Twin Trifecta format require prior approval from the Department.

P. Tri-Superfecta Pools

1. The Tri-Superfecta requires selection of the 1st 3 finishers, in their exact order, in the 1st of 2 designated contests and the 1st 4 finishers, in exact order, in the 2nd of the 2 designated contests. Each winning ticket for the 1st Tri-Superfecta contest must be exchanged for a free ticket on the 2nd Tri-Superfecta contest in order to remain eligible for the 2nd-half Tri-Superfecta pool. Such tickets may be exchanged only at attended ticket windows prior to the 2nd Tri-Superfecta contest. Winning 1st-half Tri-Superfecta tickets will receive both an exchange and a monetary payoff. Both of the designated Tri-Superfecta contests shall be included in only 1 Tri-Superfecta pool.
2. After wagering closes for the 1st-half of the Tri-Superfecta and commissions have been deducted from the pool, the net pool shall then be divided into 2 separate pools: the 1st-half Tri-Superfecta pool and the 2nd-half Tri-Superfecta pool.
3. In the 1st Tri-Superfecta contest only, winning tickets shall be determined using the following precedence, based upon the official order of finish for the 1st Tri-Superfecta contest:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
    c. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
    d. The entire Tri-Superfecta pool shall be refunded on Tri-Superfecta for that contest and the 2nd half shall be cancelled.
4. If no 1st-half Tri-Superfecta ticket selects the 1st 3 finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the 2nd-half Tri-Superfecta pool. In such case, the 2nd-half Tri-Superfecta pool shall be retained and added to any existing Tri-Superfecta carryover pool.
5. Winning tickets from the 1st half of the Tri-Superfecta shall be exchanged for tickets selecting the 1st 4 finishers of the 2nd-half of the Tri-Superfecta. The 2nd-half Tri-Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 2nd Tri-Superfecta contest:
    a. As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such tickets, then
    b. The entire 2nd-half Tri-Superfecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding 2nd-half Tri-Superfecta pool of the next performance.
6. If a winning 1st-half Tri-Superfecta ticket is not presented for cashing and exchange prior to the 2nd-half Tri-Superfecta contest, the ticket holder may still collect the monetary value associated with the 1st-half Tri-Superfecta pool but forfeits all rights to any distribution of the 2nd-half Tri-Superfecta pool.
7. Coupled entries and mutuel fields shall be prohibited in Tri-Superfecta contests.
8. Should a betting interest in the 1st-half of the Tri-Superfecta be scratched, those Tri-Superfecta tickets including the scratched betting interest shall be refunded.
9. Should a betting interest in the 2nd-half of the Tri-Superfecta be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the 2nd Tri-Superfecta contest, the ticket holder forfeits all rights to the 2nd-half Tri-Superfecta pool.
10. If, due to a late scratch, the number of betting interests in the 2nd-half of the Tri-Superfecta is reduced to fewer than the minimum, all exchange tickets and outstanding 1st-half winning tickets shall be entitled to the 2nd-half Tri-Superfecta pool for that contest as a single price pool, but not the Tri-Superfecta carryover.
11. If there is a dead heat or multiple dead heats in either the 1st or 2nd half of the Tri-Superfecta, all Tri-Superfecta tickets selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, shall be a winner. In the case of a dead heat occurring in
    a. The 1st-half of the Tri-Superfecta, the payoff shall be calculated as a profit split.

b. The 2nd-half of the Tri-Superfecta, the payoff shall be calculated as a single price pool.

12. If either of the Tri-Superfecta contests are cancelled prior to the 1st Tri-Superfecta contest, or the 1st Tri-Superfecta contest is declared "no contest", the entire Tri-Superfecta pool shall be refunded on Tri-Superfecta wagers for that contest and the 2nd half shall be cancelled.
13. If the 2nd-half Tri-Superfecta contest is cancelled or declared "no contest", all exchange tickets and outstanding 1st-half winning Tri-Superfecta tickets shall be entitled to the net Tri-Superfecta pool for that contest as a single price pool, but not the Tri-Superfecta carryover. If no there are no such tickets, the net Tri-Superfecta pool shall be distributed as described in subsection (P)(3) of the Tri-Superfecta rules.
14. The Tri-Superfecta carryover may be capped at a designated level approved by the Department so that if, at the close of any performance, the amount in the Tri-Superfecta carryover equals or exceeds the designated cap, the Tri-Superfecta carryover will be frozen until it is won or distributed under other provisions of this rule. After the 2nd-half Tri-Superfecta carryover is frozen, 100% of the net Tri-Superfecta pool for each individual contest shall be distributed to winners of the 1st-half of the Tri-Superfecta pool.
15. A written request for permission to distribute the Tri-Superfecta carryover on a specific performance may be submitted to the Department. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.
16. Should the Tri-Superfecta carryover be designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the 2nd half of the Tri-Superfecta after completion of the 1st half of the Tri-Superfecta:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination included, in correct sequence, the 1st 3 betting interests; but if there are no such wagers, then
    c. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
    d. As a single price pool to those whose combination included, in correct sequence, the 1st-place betting interest only; but if there are no such wagers, then
    e. As a single price pool to holders of valid exchange tickets.
    f. As a single price pool to holders of outstanding 1st-half winning tickets.
17. Contrary to subsection (P)(4) of the Tri-Superfecta rules, during a performance designated to distribute the Tri-Superfecta carryover, exchange tickets will be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the 1st-half of the Tri-Superfecta. If there are no wagers correctly selecting the 1st-, 2nd-, and 3rd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st- and 2nd-place betting interests. If there are no wagers correctly selecting the 1st- and 2nd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st-place betting interest only. If there are no wagers selecting the 1st-place betting interest only in the 1st half of the Tri-Superfecta, all 1st-half tickets will become winners and will receive 100% of that day's net Tri-Superfecta pool and any existing Tri-Superfecta carryover as a single price pool.
18. The Tri-Superfecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:
    a. Upon written approval from the Department as provided in subsection (P)(15) of the Tri-Superfecta rules.
    b. Upon written approval from the Department when there is a change in the carryover cap or when the Tri-Superfecta is discontinued.
    c. On the closing performance of the meet or split meet.
19. If, for any reason, the Tri-Superfecta carryover must be held over to the corresponding Tri-Superfecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Department. The Tri-Superfecta carryover plus accrued interest shall then be added to the 2nd-half Tri-Superfecta pool of the following meet on a date and performance so designated by the Department.
20. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of valid exchange tickets is prohibited. This shall not prohibit necessary communication between totalisator and pari-mutuel department employees for processing of pool data.
21. The permittee must obtain written approval from the Department concerning the scheduling of Tri-Superfecta contests, the percentages of the net pool added to the 1st-half pool and 2nd-half pool, and the amount of any cap to be set on the carryover. Any changes to the approved Tri-Superfecta format require prior approval from the Department.

Q. Twin Superfecta Pools

1. The Twin Superfecta requires selection of the 1st 4 finishers, in their exact order, in each of 2 designated contests. Each winning ticket for the 1st Twin Superfecta contest must be exchanged for a free ticket on the 2nd Twin Superfecta contest in order to remain eligible for the 2nd-half Twin Superfecta pool. Such tickets may be exchanged only at attended ticket windows prior to the 2nd Twin Superfecta contest. Winning 1st-half Twin Superfecta tickets will receive both an exchange and a monetary payoff. Both of the designated Twin Superfecta contests shall be included in only 1 Twin Superfecta pool.
2. After wagering closes for the 1st half of the Twin Superfecta and commissions have been deducted from the pool, the net pool shall then be divided into 2 separate pools: the 1st-half Twin Superfecta pool and the 2nd-half Twin Superfecta pool.
3. In the 1st Twin Superfecta contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the 1st Twin Superfecta contest:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination included, in correct sequence, the 1st 3 betting interests; but if there are no such wagers, then

c. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
d. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
e. The entire Twin Superfecta pool shall be refunded on Twin Superfecta wagers for that contest and the 2nd half shall be cancelled.

4. If no 1st-half Twin Superfecta ticket selects the 1st 4 finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the 2nd-half Twin Superfecta pool. In such case, the 2nd-half Twin Superfecta pool shall be retained and added to any existing Twin Superfecta carryover pool.
5. Winning tickets from the 1st half of the Twin Superfecta shall be exchanged for tickets selecting the 1st 4 finishers of the 2nd half of the Twin Superfecta. The 2nd-half Twin Superfecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 2nd Twin Superfecta contest:
   a. As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such tickets, then
   b. The entire 2nd-half Twin Trifecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding 2nd-half Twin Superfecta pool of the next performance.
6. If a winning 1st-half Twin Superfecta ticket is not presented for cashing and exchange prior to the 2nd-half Twin Superfecta contest, the ticket holder may still collect the monetary value associated with the 1st-half Twin Superfecta pool but forfeits all rights to any distribution of the 2nd-half Twin Trifecta pool.
7. Coupled entries and mutuel fields shall be prohibited in Twin Superfecta contests.
8. Should a betting interest in the 1st half of the Twin Superfecta be scratched, those Twin Superfecta tickets including the scratched betting interest shall be refunded.
9. Should a betting interest in the 2nd half of the Twin Superfecta be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the 2nd Twin Superfecta contest, the ticket holder forfeits all rights to the 2nd-half Twin Superfecta pool.
10. If, due to a late scratch, the number of betting interests in the 2nd-half of the Twin Superfecta is reduced to fewer than the minimum, all exchange tickets and outstanding 1st-half winning tickets shall be entitled to the 2nd-half Twin Superfecta pool for that contest as a single price pool but not the Twin Superfecta carryover.
11. If there is a dead heat or multiple dead heats in either the 1st- or 2nd-half of the Twin Superfecta, all Twin Superfecta tickets selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, shall be a winner. In the case of a dead heat occurring in:
   a. The 1st half of the Twin Superfecta, the payoff shall be calculated as a profit split.
   b. The 2nd half of the Twin Superfecta, the payoff shall be calculated as a single price pool.
12. If either of the Twin Superfecta contests is cancelled prior to the 1st Twin Superfecta contest, or the 1st Twin Superfecta contest is declared “no contest”, the entire Twin Superfecta pool shall be refunded on Twin Superfecta wagers for that contest and the 2nd half shall be cancelled.
13. If the 2nd-half Twin Superfecta contest is cancelled or declared “no contest”, all exchange tickets and outstanding 1st-half winning Twin Superfecta tickets shall be entitled to the net Twin Superfecta pool for that contest as a single price pool but not the Twin Superfecta carryover. If there are no such tickets, the net Twin Superfecta pool shall be distributed as described in subsection (Q)(3) of the Twin Superfecta rules.
14. The Twin Superfecta carryover may be capped at a designated level approved by the Department so that if, at the close of any performance, the amount in the Twin Superfecta carryover equals or exceeds the designated cap, the Twin Superfecta carryover will be frozen until it is won or distributed under other provisions of this rule. After the 2nd-half Twin Superfecta carryover is frozen, 100% of the net Twin Superfecta pool for each individual contest shall be distributed to winners of the 1st half of the Twin Superfecta pool.
15. A written request for permission to distribute the Twin Superfecta carryover on a specific performance may be submitted to the Department. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.
16. Should the Twin Superfecta carryover be designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the 2nd half of the Twin Superfecta after completion of the 1st half of the Twin Superfecta:
   a. As a single price pool to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such wagers, then
   b. As a single price pool to those whose combination included, in correct sequence, the 1st 3 betting interests; but if there are no such wagers, then
   c. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
   d. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
   e. As a single price pool to holders of valid exchange tickets.
   f. As a single price pool to holders of outstanding 1st-half winning tickets.
17. Contrary to subsection (Q)(4) of the Twin Superfecta rules, during a performance designated to distribute the Twin Superfecta carryover, exchange tickets will be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the 1st-half of the Twin Superfecta. If there are no wagers correctly selecting the 1st-, 2nd-, 3rd-, and 4th-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st-, 2nd-, and 3rd-place betting interests. If there are no wagers correctly selecting the 1st-, 2nd-, and 3rd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st- and 2nd-place betting interests. If there are no wagers correctly selecting the 1st- and 2nd-place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the 1st-place betting interest only. If there

are no wagers selecting the 1st-place betting interest only in the 1st half of the Twin Superfecta, all 1st-half tickets will become winners and will receive 100% of that day's net Twin Superfecta pool and any existing Twin Superfecta carryover as a single price pool.

18. The Twin Superfecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:
    a. Upon written approval from the Department as provided in subsection (Q)(15) of the Twin Superfecta rules.
    b. Upon written approval from the Department when there is a change in the carryover cap or when the Twin Superfecta is discontinued.
    c. On the closing performance of the meet or split meet.
19. If, for any reason, the Twin Superfecta carryover must be held over to the corresponding Twin Superfecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Department. The Twin Superfecta carryover plus accrued interest shall then be added to the 2nd-half Twin Superfecta pool of the following meet on a date and performance so designated by the Department.
20. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of valid exchange tickets is prohibited. This shall not prohibit necessary communications between totalisator and pari-mutuel department employees for processing of pool data.
21. The permittee must obtain written approval from the Department concerning the scheduling of Twin Superfecta contests, the percentages of the net pool added to the 1st-half pool and 2nd-half pool, and the amount of any cap to be set on the carryover. Any changes to the approved Twin Superfecta format require prior approval from the Department.

R. Grand Slam Pools

1. The Grand Slam requires selection of the Exacta, Trifecta, and Superfecta, respectively, in 3 consecutive contests. Each winning ticket for the 1st Grand Slam contest must be exchanged for a free ticket on the 2nd Grand Slam contest in order to remain eligible for the 2nd contest share of the Grand Slam pool. Such tickets may be exchanged only at attended ticket windows prior to the 2nd Grand Slam contest. Winning Grand Slam tickets on the 1st race shall receive both an exchange and a monetary payoff. Each winning ticket for the 2nd Grand Slam contest must be exchanged for a free ticket on the 3rd Grand Slam Contest in order to remain eligible for the 3rd contest share of the Grand Slam pool. Such tickets must be exchanged only at attended ticket windows prior to the 3rd Grand Slam contest. Winning tickets on the 2nd race shall receive both an exchange and a monetary payoff. The 3 designated Grand Slam contests shall be included in only 1 Grand Slam pool.
2. After wagering closes for the 1st contest of the Grand Slam and commissions have been deducted from the pool, the net pool shall be divided into 3 separate pools: the 1st contest pool (25%), the 2nd contest pool (25%), and the 3rd contest pool (50%).
3. In the 1st Grand Slam contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the 1st Grand Slam contest:
    a. If contestants of a coupled entry or mutuel field finish as the 1st 2 finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; otherwise
    b. As a single price pool to those whose combination finished in correct sequence as the 1st 2 betting interests; but if there are no such wagers, then
    c. As a profit split to those whose combination included either the 1st-place betting interest to finish 1st or the 2nd-place betting interest to finish 2nd; but if there are no such wagers on 1 of those 2 finishers, then
    d. As a single price pool to those whose combination included the 1 covered betting interest to finish 1st or 2nd.
4. Winning tickets from the 1st contest of the Grand Slam shall be exchanged for tickets selecting the 1st 3 finishers of the 2nd contest of the Grand Slam. The 2nd contest pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 2nd Grand Slam contest:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then
    b. The entire pool for the 2nd and 3rd contests shall be added to any existing carryover monies and retained for the 3rd contest pool of the next performance.
5. Winning tickets for the 2nd contest of the Grand Slam shall be exchanged for tickets selecting the 1st 4 finishers of the 3rd contest of the Grand Slam. The 3rd contest pool and any existing carryover monies shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the 3rd Grand Slam contest:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 4 betting interests; but if there are no such wagers, then
    b. The entire pool for the 3rd contest shall be added to any existing carryover monies and retained for the corresponding 3rd contest pool of the next performance.
6. If a winning Grand Slam ticket is not presented for cashing and exchange prior to the next Grand Slam contest, the ticket holder may still collect the monetary value associated with the corresponding pool but forfeits all rights to any distribution of subsequent Grand Slam pools.
7. Coupled entries and mutuel fields shall be prohibited in the 2nd and 3rd races of the Grand Slam.
8. Should a betting interest in the 1st contest of the Grand Slam be scratched, those Grand Slam wagers including the scratched betting interest shall be refunded.
9. Should a betting interest in the 2nd or 3rd contests of the Grand Slam be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the corresponding contest, the ticket holder forfeits all rights to the remainder of the Grand Slam pool.
10. If there is a dead heat or multiple dead heats in any of the contests of the Grand Slam, all Grand Slam wagers selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, shall be winners. Contrary to the usual

practice, the aggregate number of winning tickets shall be divided into the net pool and paid the same price.

11. If any of the Grand Slam contests are cancelled prior to the 1st Grand Slam contest, or the 1st Grand Slam contest is declared "no contest", the entire Grand Slam pool shall be refunded on Grand Slam wagers for that contest and the remaining Grand Slam contests shall be cancelled. Any existing carryover monies pursuant to subsections (R)(4) and (5) of this rule shall carryover to the next consecutive racing program of that meeting.
12. If the 2nd contest of the Grand Slam is canceled or declared "no contest", or if less than 3 contestants finish, the 2nd contest pool of the Grand Slam shall be distributed equally among holders of 2nd contest Grand Slam exchange tickets, and the 3rd-contest pool of the Grand Slam shall carryover to the 3rd-contest pool of the next performance.
13. If the 3rd contest of the Grand Slam is canceled or declared "no contest" before the 2nd contest has been made official but after the 1st contest (pursuant to paragraph (R)(11) of this rule), that racing day's 3rd-contest pool shall be distributed equally among holders of 2nd-contest Grand Slam exchange tickets. If the 3rd contest of the Grand Slam is cancelled or declared "no contest" after the 2nd contest has been made official, that racing day's 3rd contest shall be distributed equally among holders of the 3rd-contest Grand Slam exchange tickets. In such instance, no carryover pool would be generated from that racing day.
14. If no distribution is made pursuant to subparagraph (R)(5)(a) of this rule, on the last day of the race meeting the permittee shall distribute the 3rd-race pool and any existing carryover monies equally among the holders of exchange tickets selecting the finishing contestants in the 3rd race. The net pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
    a. As a single price pool to those whose combination finished in correct sequence as the 1st 3 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
    c. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
    d. As a single price pool to all holders of 3rd-race tickets.
15. If there were no winning wagers in the 2nd race of the Grand Slam on the last day of the race meeting, the permittee shall distribute the 2nd-race pool and any existing carryover monies equally among the holders of exchange tickets selecting the finishing contestants in the 2nd race. The net pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
    a. As a single price pool to those whose combination included, in correct sequence, the 1st 2 betting interests; but if there are no such wagers, then
    b. As a single price pool to those whose combination correctly selected the 1st-place betting interest only; but if there are no such wagers, then
    c. As a single price pool to all holders of 2nd-race tickets.
16. If there were no winning wagers in the 1st race of the Grand Slam on the last day of the race meeting, the permittee shall distribute the 1st-race pool and any existing carryover monies as a profit split to the holders of tickets selecting either the 1st-place finisher to finish 1st or the 2nd-place finisher to finish 2nd. If there were still no winning wagers in the 1st race of the Grand Slam, such monies shall be distributed to all ticket holders.
17. Grand Slam tickets shall be issued in multiples of $1.00.

Historical Note

Adopted effective October 21, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 93-4). Amended effective November 16, 1993, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18); inadvertently omitted from Supp. 93-4 (Supp. 94-2). Typographical corrections made to subsections (F)(6), (P)(3)(d), and (P)(21) (Supp. 94-4). R19-2-523 recodified from R4-27-523 (Supp. 95-1). Amended effective July 3, 1996 (Supp. 96-3). Amended effective September 17, 1997, under an exemption from the Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(18) (Supp. 97-3).

ARTICLE 6. BOXING COMMISSION ADMINISTRATION

R19-2-601. Definitions

In these rules, unless the context otherwise requires:

1. "Boxing" includes kick boxing.
2. "Commission" means the Arizona State Boxing Commission.
3. "Contest" means any boxing contest, match or exhibition.
4. "Department" means the Arizona Department of Racing.
5. "Director" means the Director of the Arizona Department of Racing.

Historical Note

New Section recodified from Section R4-3-415 at 5 A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-602. Notice to the Department

A. Upon Commission approval of the date of a contest requested by a promoter, the Commission shall notify the Department within 24 hours in writing. The Commission shall also notify the Department immediately should there be any change in the scheduled contest.

B. Copies of all contracts including, but not limited to, promoters and contestants, associates, television networks, broadcasting stations, and motion picture companies, shall be filed by the promoter with the Department no later than weigh-in.

C. Each contract filed with the Department pursuant to this Section is confidential and not public record.

Historical Note

New Section recodified from Section R4-3-416 at 5 A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-603. Ticket Manifest

A. The promoter shall provide to the Department a notarized manifest from the printer of the tickets no later than weigh-in.

B. The manifest shall list the total number of tickets printed and number of tickets in each price category.

Historical Note

New Section recodified from Section R4-3-417 at 5 A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-604. Reduced Price Tickets

Tickets sold for less than the printed price shall be plainly overstamped with the actual price charged on the printed face of the ticket, including the stub that is retained by the ticket holder.

Historical Note
New Section recodified from Section R4-3-418 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-605. Complimentary Tickets

A. The total number of complimentary tickets, excluding press tickets, may not exceed 75.

B. An issue of complimentary tickets in excess of 75 shall be considered cash tickets.

C. Complimentary tickets shall be stamped "complimentary" or punched.

Historical Note
New Section recodified from Section R4-3-419 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-606. Accounting for Tickets

Representatives of the promoters, ticket agent, and Department shall meet within three working days to account for all tickets sold for the contest.

Historical Note
New Section recodified from Section R4-3-420 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-607. Payment of Fees

A. Any person who promotes a boxing contest in this state shall, within ten days after the contest, pay to the Department four percent of the gross receipts, after the deduction of city, state and federal taxes, of such match or exhibition.

1. "Adjusted gross price" means the price charged for the sale, lease or other exploitation of broadcasting, television or motion picture rights of a boxing contest less the amount paid for contestants' purses, but without any deductions for commissions, brokerage fees, distribution fees, advertising, or other expenses.
2. "Gross receipts" means all receipts from all sources, including the face value of tickets sold without any deductions for commissions, brokerage fees, distribution fees, advertising or other expenses, and the adjusted gross price charged for the sale, lease or other exploitation of broadcasting, television, or motion picture rights of a boxing contest.

B. Any person who promotes a boxing contest in this state shall, within ten days after the contest, furnish to the Department a verified written statement showing:

1. The number of tickets sold and issued or sold or issued for the contest.
2. The amount of:
   a. Gross receipts from admission fees: and
   b. Gross receipts derived from the sale, lease or other exploitation of broadcasting, television, or motion picture rights of a boxing contest less the amount paid for contestants' purses.

Historical Note
New Section recodified from Section R4-3-421 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-608. Promoters; Licenses; Bond; Proof of Financial Responsibility

A. The Director may direct the Commission to require the promoter to deposit with the Department a cash bond or surety bond in an amount set by the Department as a guarantee for the fulfillment of the promoter's contract obligations, the payment of licenses, salaries for officials, and taxes on gross receipts and reimbursement to ticket purchasers if the contest is not held as advertised.

B. The bond will be returned to the promoter after the Department has received written verification from the Commission that the promoter has complied with the requirements. Failure to comply shall result in forfeiture of bonds.

Historical Note
New Section recodified from Section R4-3-422 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-609. License Fees

A. License applications received at the weigh-in prior to a scheduled contest shall be accepted by a Commission representative and the fees submitted to a Department representative.

B. License fees for annual licenses mailed in to the Commission shall be promptly forwarded to the Department with documentation listing the type of license issued, the name of the licensee, date of birth, license number, and the date and amount of payment received.

C. The Commission shall retain a list of the licenses issued with additional applicable information on an on-going basis and make the information readily available to the Department.

Historical Note
New Section recodified from Section R4-3-423 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

R19-2-610. Fines

A. Notification of a licensee being issued a fine shall be sent to the Department. The fine shall be paid directly to the Department by the licensee within ten days of official notification.

B. The Department will notify the Commission of payment in writing. If the licensee fails to pay the fine, the Department will send written notification to the Commission.

Historical Note
New Section recodified from Section R4-3-424 at 5
A.A.R. 1175, April 23, 1999 (Supp. 99-2).

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 3. ARIZONA STATE LOTTERY COMMISSION

(Authority: A.R.S. § 5-501 *et seq*.)

19 A.A.C. 3, consisting of R19-3-101, R19-3-201 through R19-3-207, R19-3-301 through R19-3-381, R19-3-401, R19-3-501 through R19-3-549, and R19-3-601 recodified from 4 A.A.C. 37, consisting of R4-37-101, R4-37-201 through R4-37-207, R4-37-301 through R4-37-381, R4-37-401, R4-37-501 through R4-37-549, and R4-37-601, pursuant to R1-1-102 (Supp. 95-1).

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ARTICLE 5. PROCUREMENTS

Article 5, consisting of Sections R4-37-501 through R4-37-549, adopted as permanent rules effective August 29, 1985.

Former Article 5, consisting of Sections R4-37-501 through R19-3-549, adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-4). R19-3-501 through R19-3-549 recodified from R4-37-501 through R4-37-549 (Supp. 95-1).

Section
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ARTICLE 6. REPEALED

Article 6, consisting of Section R19-3-601, repealed effective June 17, 1997 (Supp. 97-1).

R19-3-601 recodified from R4-37-601 (Supp. 95-1).

Article 6, consisting of Section R4-37-601, adopted as a permanent rule effective February 25, 1987.

Article 6, consisting of Section R4-37-601, adopted as an emergency effective October 31, 1986, pursuant to A.R.S. § 41-1003, valid for only 90 days.

ARTICLE 7. DESIGN AND OPERATION OF INSTANT GAMES

Article 7, consisting of Sections R19-3-701 through R19-3-709, adopted effective October 25, 1996 (Supp. 96-4).

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ARTICLE 1. GENERAL

R19-3-101. Definitions

In this Chapter, unless the context otherwise requires:

1. "Act" means Title 5, Chapter 5, Article 1 of the Arizona Revised Statutes.
2. "Controlling agent" means any of the retailer's substantial stockholders, directors, officers, managerial employees, or other persons directly or indirectly controlling or operating the retailer's business.
3. "On-line contractor" means a person employed by the Lottery to conduct the daily operation of the On-line Lottery games.
4. "Partial pack of tickets" means an open pack of consecutively numbered and connected tickets. If a pack is broken into individual tickets, each individual ticket shall be considered a partial pack.
5. "Retailer" means a person who has been licensed by the Commission to sell lottery tickets.
6. "Substantial stockholder" means any person holding a sufficient amount of any class of stock or securities to create a controlling interest in the business.
7. "Ticket" means a lottery ticket issued by the State Lottery for sale to the general public.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R4-37-101 adopted effective August 17, 1981 (Supp. 81-4). Amended effective September 12, 1989 (Supp. 89-3). R19-3-101 recodified from R4-37-101 (Supp. 95-1).

ARTICLE 2. RETAILERS

R19-3-201. Retailer's Application and License

A. Application. A person interested in obtaining a license to sell lottery tickets shall:

1. Submit to the Director a verified application on forms prescribed by the Director, containing the following information:
   a. If the applicant does business as an individual, the applicant's name, address, and phone number;
   b. If the applicant does business as a partnership or a limited liability partnership, the names, addresses, and phone numbers of all partners with a designation of any limited partners;
   c. If the applicant does business as a corporation, limited liability company, an association, or any other organization, the names, addresses, and phone numbers of the president, vice-president, if any, secretary, and treasurer, or the functional equivalent of these officers, the directors, the owners of 10% or more of the stock or beneficial interest, and owners of equity that creates controlling interest in the business;
   d. If the applicant does business as a corporation, a limited liability company or a limited liability partnership, evidence that the entity is in good standing with the Arizona Corporation Commission or the Secretary of State;
   e. The business name, address, or location of the applicant's place of business and the mailing address if it is different from the place of business;
   f. The applicant's current transaction privilege tax license number issued pursuant to A.R.S. § 42-1305 and federal taxpayer identification number recorded on Form W-9;
   g. Certification that the applicant has complied with the statutes and rules governing the Americans with Disabilities Act;
   h. Marketing and sales forecast information, on the forms and in the manner specified by the Lottery;
   i. Names, addresses, and phone numbers of 3 business references;
   j. Financial relationship and any outstanding debt with the state of Arizona or any of its government subdivisions;
   k. Authorization agreement for electronic fund transfer with a valid bank account number from which any amount due the Lottery will be transferred;
2. Submit a nonrefundable application fee of $36.00. A licensee that is a corporation, limited liability company, an association, or any other organization, may renew its licenses for all locations on the same date in accordance with the provisions of subsection (J). If the applicant is a business with more than 1 licensed location, the application fee for that location shall be pro-rated at $1.00 per month from the application date until the date the other licenses are due for renewal.

B. To obtain or renew a license, a person shall submit to the Lottery evidence that the person is of good character and reputation. The Lottery may find that a person lacks good character and reputation if it determines that the person has committed any act which, if committed or done by a licensed retailer, would be grounds for suspension or revocation of a license or that the person was named on any business license in this state or any other state that was suspended or revoked.

C. To obtain a license, a person shall not have had a Lottery license denied or revoked at the address and location of the applicant's place of business for reasons other than ADA noncompliance, and shall not have sold lottery products without being licensed within 1 year of the person's date of application.

D. The Lottery shall not issue a license to a minor, a partnership in which 1 of the partners is a minor, or a corporation, association or other organization in which a corporate officer, member or manager is a minor.

E. Residency requirement. To obtain a license, a person shall be:

1. A resident of Arizona;
2. A corporation incorporated in Arizona or authorized to do business in Arizona;
3. A limited liability company authorized to do business in Arizona in which a member or manager resides in Arizona;
4. A partnership in which at least 1 of the general partners resides in Arizona; or
5. An unincorporated business authorized to do business in Arizona.

F. Time-frame for licensure.

1. The Director shall finish an administrative completeness review within 15 days from the date of receipt of the application and fee prescribed in subsection (A).
   a. The Director shall issue a notice of administrative completeness to the applicant if no deficiencies are found in the application.
   b. If the application is incomplete or the fee is not submitted, the Director shall provide the applicant with a written notice that includes a comprehensive list of the missing information. The 15-day time-frame for completion of the administrative completeness review is suspended from the date the notice of incompleteness is served until the applicant provides the Director with all missing information.

c. If the Director does not provide the applicant with notice regarding administrative completeness, the application shall be deemed complete 15 days after receipt by the Director.

2. An applicant with an incomplete application shall submit all of the missing information within 20 days of service of the notice of incompleteness.
   a. If an applicant cannot submit all missing information within 20 days of service of the notice of incompleteness, the applicant may obtain an extension by submitting a written request, which documents the reasons the applicant is unable to meet the 20-day deadline, to the Director no later than 20 days from service of the notice of incompleteness.
   b. The Director shall review the request for an extension of the 20-day deadline and shall grant the request if the Director determines that an extension will enable the applicant to assemble and submit the missing information. An extension of the 20-day deadline shall be for no more than 20 days. The Director shall notify the applicant in writing of the decision to grant or deny the request for an extension. An applicant who requires an additional extension shall submit an additional written request in accordance with this subsection.
3. If an applicant fails to submit a complete application within the time allowed, the Director shall close the applicant's file. An applicant whose file is closed and who later wishes to obtain a license shall apply again in accordance with this Section.
4. From the date on which the administrative completeness review of an application is finished, the Director shall complete a substantive review of the applicant's qualifications in no more than 75 days.
   a. If an applicant is found to be ineligible, the Director shall issue a written notice of denial to the applicant.
   b. If an applicant is found to be eligible, the Director shall issue a license to the applicant permitting the applicant to engage in business as a Lottery retailer under the terms of this Chapter.
   c. If the Director finds deficiencies during the substantive review of an application, the Director shall issue a written request to the applicant for additional information.
   d. The 75-day time-frame for substantive review is suspended from the date of a written request for additional information until the date that all information is received.
   e. If the applicant and the Director mutually agree in writing, the 75-day substantive review time-frame may be extended once for no more than 20 days.
5. For the purpose of A.R.S. § 41-1072 et seq., the Director establishes the time-frames for a license to sell Lottery tickets:
   a. Administrative completeness review time-frame: 15 days.
   b. Substantive review time-frame: 75 days.
   c. Overall time-frame: 90 days.

G. The Director may license a qualified applicant to sell any 1 or any combination of the Lottery's game products. The Director may require a licensee to sell 1 or more Lottery products as a condition of selling any other Lottery product. A Lottery licensee shall sell only the type of Lottery product authorized by the Lottery.

H. A license issued under this Chapter shall be signed by the Director or the Director's designated representative and by the licensee. A licensee shall not transfer a license and shall exhibit evidence of possessing the license upon demand. A licensee shall post the license number appearing on the license held by the licensee in a conspicuous place on the premises where the licensee sells lottery products. A violation of this subsection is grounds for disciplinary action in accordance with the provisions of R19-3-203.

I. As a condition of licensure, each licensee shall agree to release, indemnify, defend, and hold harmless, the Arizona Lottery, its directors, officers, and employees, from and against any and all liability, damage, cost, claim, loss, or expense, including, without limitation, reasonable attorney's fees and disbursements, resulting from or arising by reason of loss of use, temporary or permanent cessation of Lottery equipment, or terminal operations. This should not be construed in anyway to effect the rights of the licensee to recover for losses caused by any 3rd-party.

J. Duration and renewal of license.
1. A license issued under this Chapter shall expire 3 years from the license issuance date by operation of law.
2. A licensee may renew a license to sell lottery tickets by submitting to the Director a verified application for renewal of the current license on forms prescribed by the Director containing the information required in R19-3-201(A), (B), and (E), accompanied by the required $36 fee.
   a. An application for renewal of a lottery license received by the Director or deposited in the United States mail postage prepaid on or before the renewal date, shall authorize the licensee to operate as a retailer until actual issuance of the renewal license.
   b. The Director may refuse to renew a license in accordance with the provisions of R19-3-204.
   c. All licenses held by the same corporation, limited liability company, an association, or any other organization, shall be renewed on the same date.
3. A license issued under this Chapter that has expired by operation of law for failure to renew may be activated and renewed within 1 year of its expiration by filing the required application of renewal and payment of the application renewal fee provided for in this Chapter. If a license has been suspended for 1 or more years for failure to renew, a new application for license must be made and a new license issued in accordance with this Chapter.
4. A license issued under this Chapter is subject to termination by the Director in accordance with the provisions of this Chapter before the expiration date.

K. Change of Ownership or Business Location. If a licensee plans to sell, terminate, substantially change the ownership of the licensee's business, or change the business location, the licensee shall notify the Director in writing of the date of sale, termination, substantial ownership change, or change of business location at least 15 days before the transaction.
1. The licensee shall surrender the license to the Director on the date of sale, termination, substantial ownership change, or business location change.
2. A substantial change in ownership means a transfer of equity that creates a shift in the controlling interest of a licensee's business.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R4-37-201 adopted effective August 17, 1981 (Supp. 81-4). Amended subsection (A) effective September 14, 1983 (Supp. 83-5). Amended subsection (E) and added subsection (F) effective January 6, 1987

(Supp 87-1). Amended effective September 12, 1989 (Supp. 89-3). R19-3-201 recodified from R4-37-201 (Supp. 95-1). Amended effective October 9, 1998 (Supp. 98-4).

R19-3-202. Direct Sales by Lottery

The Lottery may sell lottery tickets at its main office, any branch it establishes in the state, or any special event.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R4-37-202 adopted effective August 17, 1981 (Supp. 81-4). Spelling correction, subsection (A) to adoption effective August 17, 1981 (Supp. 87-1). Amended effective September 12, 1989 (Supp. 89-3). R19-3-202 recodified from R4-37-202 (Supp. 95-1). Section repealed; new Section R19-3-202 renumbered from R19-3-203 and amended effective October 9, 1998 (Supp. 98-4).

R19-3-203. Revocation, Suspension, or Renewal Denial of Retailer's License

A. A retailer's license may be revoked, suspended or denied renewal by the Director for any of the following reasons:
1. The retailer violates a provision of the Act or this Chapter.
2. The retailer knowingly sells a ticket to a person less than 18 years old.
3. The retailer's average weekly sales of tickets for the:
   a. Instant games are less than 250 tickets per week for the preceding quarterly period;
   b. On-line games are less than 400 tickets per week for the preceding quarterly period.
4. The retailer commits an act that impairs the retailer's reputation for honesty and integrity.
5. The retailer does not make purchase or redemption of lottery tickets convenient and readily accessible to the public.
6. The retailer provides to the Lottery a statement, representation, warranty, or certificate that the Lottery determines is false, incorrect, or incomplete.
7. The retailer has 2 payments returned to the Lottery for insufficient funds in a 12-month period which is caused by the retailer's actions.
8. The retailer becomes insolvent, unable or unwilling to pay its debts, or is declared bankrupt.
9. The retailer or an officer, or controlling agent of the retailer:
   a. Is convicted of a felony, felony theft that is designated as a misdemeanor, or a crime involving gambling or fraudulent schemes and artifices;
   b. Is the subject of an order, judgment, or decree of a federal or state authority.
10. Facts are discovered which, if known at the time the retailer's license was issued or renewed, would have been grounds to deny licensure.
11. The retailer adds a minor as an owner, partner, or officer of the business.
12. The retailer or an officer or employee of the retailer sells a ticket or pays a prize to oneself.

B. The Director may on the Director's own motion, and shall on the written complaint of any person, investigate the acts of a licensee and may temporarily suspend, with or without imposing specific conditions or permanently revoke a license issued under this Article if the licensee is found to have committed an act or omission listed in subsection (A).

C. Procedure for hearings. A retailer may request a hearing regarding a revocation, suspension, or license denial. The hearing shall be conducted in accordance with A.R.S. Title 41, Chapter 6, Article 10.

D. Procedure for filing an appeal with the Commission:
1. A person who wishes to appeal a final decision of the Director shall file an appeal with the Lottery Commission within 15 days of receipt of the Director's decision. The filed appeal shall contain the following:
   a. A copy of the Director's decision; and
   b. The alleged factual or legal error in the decision of the Director from which the appeal is taken.
2. A person appealing the decision of the Director may file a written brief stating the position on the appeal within 15 days after receipt of the decision.
3. The Commission may provide for oral argument.
4. The Commission shall make its ruling on the appeal on the record.

E. A final decision of the Commission is subject to judicial review under A.R.S. Title 41, Chapter 6, Article 10 by any party to the action.

F. Termination of a retailer's license.
1. A retailer who receives a notice of license termination shall:
   a. Immediately cease all sales of lottery products, and
   b. Surrender the retailer's license and all other lottery property and products upon request by the Director's representative.
2. If the retailer fails to settle the financial account and surrender the license and all other lottery property and products, the Director shall take steps to impose the penalties and exercise the enforcement powers provided in the Act and this Article.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R5-37-203 adopted effective August 17, 1981 (Supp. 81-4). Amended effective September 12, 1989 (Supp. 89-3). R19-2-203 recodified from R4-37-203 (Supp. 95-1). R19-2-203 renumbered to R19-3-202; new Section R19-2-203 renumbered from R19-4-204 and amended effective October 9, 1998 (Supp. 98-4).

R19-3-204. Display of Promotional Material

Each retailer shall prominently display and maintain a minimum of 3 different point-of-sale Lottery promotional materials. Promotional materials may include, but are not limited to, change mats, mobiles, strip banners, table tents, brochures, or stickers.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R4-37-204 adopted effective August 17, 1981 (Supp. 81-4). Amended as an emergency effective June 26, 1983 pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-3). Correction, former emergency amendment shown effective June 26, 1983 should read effective June 10, 1983. Former emergency amendment now adopted as a permanent amendment without change effective September 14, 1983 (Supp. 83-5). Amended effective March 6, 1986 (Supp. 86-2). Amended subsection (B) effective January 6, 1987 (Supp. 87-1). Amended effective September 12, 1989 (Supp. 89-3). R19-3-204 recodified from R4-37-204 (Supp. 95-1). Section R19-3-204 renumbered to R19-3-203; new Section R19-3-204 renumbered from R19-3-205 and amended effective October 9, 1998 (Supp. 98-4).

R19-3-205. Instant Game Requirements

A. Distribution and payment. The following describe the manner in which tickets for each instant game will be distributed to retailers and payment made:

1. The Lottery or its authorized representative shall distribute to each retailer the quantity of tickets on which the Lottery and the retailer agree, based on the retailer's anticipated volume of sales.
2. The Lottery shall bill for instant ticket packs issued to a retailer 45 days after a pack is activated or after 85% of winning tickets in the pack are validated, whichever occurs 1st.
3. Within 30 days before the announced end of each instant game, the Lottery or its authorized representative shall collect unopened full packs of tickets in a retailer's possession. The Lottery shall credit to the retailer, within 60 days following the announced end of the instant game, the net dollar value of any unopened full packs of tickets collected by the Lottery. All opened partial packs of tickets shall remain in the retailer's possession and may be sold before the end of the 180-day redemption period following the announced end of game.
4. The Lottery may collect opened partial packs of tickets during a game if the Lottery and the retailer determine that sales for a specific game are minimal (for example, no sales activity within a 2-week period) and after the announced end of a game if the instant game is a seasonal, holiday, or event-related game.
5. A retailer shall follow a schedule established by the Lottery for payment of all amounts due according to a statement or invoice provided by the Lottery. The retailer shall pay the amount due to the Lottery by an electronic transfer of funds.
6. A retailer shall deposit funds in a timely manner into a bank account from which an electronic transfer will be made to the Lottery.
   a. The retailer shall provide the Lottery with an electronic funds transfer authorization with a valid bank account number from which the amounts due the Lottery will be transferred.
   b. The retailer shall notify the Lottery of any bank account changes 15 days before the effective date of the change.
7. If a retailer's payment is returned to the Lottery for insufficient funds or any other reason, the retailer shall deliver a certified check, cashier's check, or money order or make a direct deposit to the Lottery's bank account before the next payment is due. Additionally, if the retailer's payment is returned to the Lottery,
   a. The Director may require the retailer to pay the amount due in the form of a cashier's check, money order, sight draft or certified check at the time of each future delivery of tickets;
   b. The Director may require the payment of each future delivery of tickets upon activation;
   c. The Director may summarily inactivate the retailer's instant ticket validation terminal;
   d. The Director may pick up the retailer's current inventory of tickets and withhold further delivery of tickets; and
   e. The Director may revoke, suspend, or deny renewal of the retailer's license in accordance with R19-3-203(A)(7).

B. Ticket prize validation and payment requirements. A retailer shall provide prize winner validation and payment services to any Lottery claimant regardless of where the ticket was purchased. The retailer shall pay all winner prizes, up to and including $599, provided that the ticket is validated as specified in R19-3-705. Winner prizes may be paid by cash, business check or money order.

C. Retailer's compensation. The Lottery shall pay a retailer a commission of 6 1/2% of the price of each instant lottery ticket it sells.

D. Instant ticket sales. All instant game ticket sales are final and the Lottery will not accept ticket returns except as prescribed in subsections (A)(3) and (4).

E. In addition to the compensation specified in subsection (C), the Lottery shall pay an incentive of up to 1/2% on the price of each ticket sold to retailers who meet specifications established in writing by the Director. The written specifications shall be provided to the retailer before the incentive program begins.

F. Unaccounted and stolen tickets.

1. Tickets unaccounted for by a retailer shall be the property of the retailer.
2. The retailer shall report stolen tickets to the local law enforcement agency within 1 hour of the theft or when discovered. In addition, the retailer shall report the event by telephone to the Lottery's Security Division within 1/2 hour of law enforcement notification and provide the Lottery with a copy of the written police report. The Lottery shall issue credit for stolen tickets in an amount equal to 50% of the retailer's purchase price for the instant tickets before retail sale less any 3rd-party reimbursement. The retailer shall cooperate in any investigation and prosecution of the theft.
   a. The retailer shall sign an affidavit stating that the listed tickets were stolen and whether a claim for reimbursement is being or will be made with a 3rd party for the amount covered by the available Arizona Lottery credit. If the retailer obtains reimbursement for the stolen tickets from a source other than the Lottery, the Lottery credit will be reduced by the amount of the 3rd-party reimbursement.
   b. Each retailer location is limited to no more than 2 stolen ticket credits within 36 months of the date of the last theft for which a credit is requested.
3. If the claimed ticket for a prize is reported stolen or unaccounted for by a retailer, the Lottery shall hold the prize money in escrow pending the findings of an investigation by an appropriate law enforcement agency.

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Sections R4-37-205 adopted effective August 17, 1981 (Supp. 81-4). Amended effective September 12, 1989 (Supp. 89-3). R19-3-205 recodified from R4-37-205 (Supp. 95-1). Section R19-3-205 renumbered to R19-3-204; new Section R19-3-205 renumbered from R19-3-206 and amended effective October 9, 1998 (Supp. 98-4).

R19-3-206. On-line Game Requirements

A. Ticket sales requirements. A retailer selling on-line Lottery games shall issue on-line Lottery tickets using its authorized terminal in accordance with the Act and this Chapter.

1. If a ticket is voided as prescribed in R19-3-401(C)(3), the retailer shall refund the ticket price to the ticket holder.
2. If a retailer accepts a returned ticket from a player and the retailer does not void or resell the ticket, the Lottery shall deem the ticket to be owned by the retailer.
3. A retailer shall not sell a ticket or combination of tickets to any person or entity that could guarantee the purchaser

a win. A retailer shall not devote more than 15 minutes of sales in any hour to a purchase by any single player.

4. A retailer shall not permit the use of facsimiles or copies of selection slips, or other materials that are inserted into a terminal's selection slip reader that are not printed or approved by the Lottery. Plays may be entered manually only by using the lottery terminal keypad or touch screen or by using a selection slip provided by the Lottery and hand-marked by the player.

B. Ticket prize validation and payment requirements. A retailer shall provide prize winner validation and payment services to any Lottery claimant regardless of where the ticket was purchased. If all the ticket validation criteria in R19-3-401(H)(I) are satisfied and a proper validation ticket, which is an authorization to pay, is issued by the terminal, the retailer shall pay a winner prize, up to and including $599. Winner prizes may be paid by cash, business check, or money order.

C. Terminal location.

1. A retailer shall locate an on-line Lottery terminal at a site approved by the Lottery within the retailer's place of business and shall not move the terminal from that site without prior approval from the Lottery.
2. A retailer shall ensure that the electrical service and telephone services to the terminal location are installed in accordance with the specifications established by the Lottery. The retailer shall ensure also that monthly payments for the electrical services are made. The Lottery may assess the retailer for monthly data line charges if retailer sales of Lottery products are less than the required minimums established in R19-3-203.
3. If any action by the retailer makes it necessary to place an order with the providing telephone company to correct or relocate telephone service after the terminal is initially installed, the retailer shall pay for the charges incurred. The Lottery shall provide to the retailer a statement of charges and a copy of the telephone bill associated with the charges.

D. Terminal conversion.

1. If the Lottery deems it necessary, the Lottery shall modify its on-line Lottery system by:
   a. Changing terminals, equipment, or accessories; or
   b. Converting to another on-line system.
2. A retailer shall assist the Lottery to the extent reasonable and practical to accomplish a modification of the on-line Lottery System in a timely and economical fashion.

E. Terminal operation. A retailer shall have its on-line Lottery terminal available for the sale, validation, cancellation, and cashing of on-line Lottery tickets at a minimum of 14 continuous hours each day if the Lottery's on-line system is active and the retailer's business is open.

F. The Arizona Lottery shall not be liable for damages of any kind due to failure of any on-line lottery terminal interruption or termination of on-line terminal operations.

G. Terminal care. A retailer shall at all times:

1. Operate the on-line terminal, associated equipment, and accessories only in the ordinary course of its on-line Lottery business and only in accordance with the requirements established by the Lottery; and
2. Exercise diligence and care to prevent failures and malfunctions of, and accidents to the terminal and other property of the Lottery or property of on-line contractors.

H. Terminal maintenance. A retailer shall:

1. Keep the on-line Lottery terminal, associated equipment, and accessories clean, orderly, and in good condition;
2. Replace ribbons and ticket stock in the terminal as required; and
3. Minimize terminal downtime by:
   a. Notifying the Lottery or its on-line contractor immediately of any terminal failure, malfunction, damage, or accident; and
   b. Making the terminal available for repair, adjustment, or replacement at all times during the retailer's regular business hours.

I. Terminal supplies. A retailer shall:

1. Order and use on-line Lottery supplies, including but not limited to, ribbons, ticket stock, and selection slips exclusively from the Lottery or its designated contractor; and
2. Maintain a sufficient inventory of on-line Lottery supplies to avoid an out-of-stock situation. The Lottery shall furnish on-line supplies, at no cost, to the retailer.

J. Retailer training. A retailer shall:

1. Participate in training provided by the Lottery in the operation of on-line terminals and sale of Lottery products, which may take place at a retailer's place of business;
2. Ensure that all employees selling Lottery products or operating Lottery on-line terminals are properly trained in these areas and have access to all materials provided by the Lottery relating to the sales and promotion of Lottery products and the operation of Lottery equipment;
3. Be responsible for:
   a. Any compensation payable to employees for participation in Lottery training courses and instruction; and
   b. All other costs associated with employee training; and
4. Provide all employees operating on-line Lottery equipment with copies of the procedures manuals, bulletins, and technical materials that are furnished to the retailer by the Lottery or its on-line contractor.

K. Retailer compensation. The Lottery shall pay a retailer a commission of 6 1/2% of the price of each on-line ticket it sells. The Lottery shall not consider a voided ticket a sale. The Lottery shall not pay a retailer a commission on sales transactions that are prohibited by any state or federal statute or rule.

L. In addition to the compensation specified in subsection (K), the Lottery shall pay an incentive of up to 1/2% on the price of each ticket sold to retailers who meet specifications established in writing by the Director. The written specifications shall be provided to the retailer before the incentive program begins.

M. A retailer shall pay for on-line ticket sales in the following manner:

1. Pay to the Lottery each Friday the amount due from the sale of its on-line Lottery tickets for the 7-day period ending at the close of business on the previous Saturday. The amount due means the retailer's gross revenue, minus any voided tickets, prize winnings paid out by the retailer, and the retailer's sales commission.
2. Pay the amount due to the Lottery by an electronic transfer of funds. The retailer shall deposit funds in a timely manner into a bank account from which the electronic transfer will be made to the Lottery.
   a. The retailer shall provide the Lottery with an electronic funds transfer authorization showing a valid bank account number from which the amounts due the Lottery will be transferred; and
   b. The retailer shall notify the Lottery of any bank account changes 15 days before the effective date of the change.
3. If a retailer's payment is returned to the Lottery for insufficient funds or any other reason, the retailer shall deliver a certified check, cashier's check, or money order, or

make a direct deposit to the Lottery's bank account before the next payment is due. Additionally, if the retailer's payment is returned to the Lottery,

a. The Director may summarily inactivate the retailer's on-line Lottery terminal; and
b. The Director may revoke, suspend, or deny renewal of the retailer's license in accordance with R19-3-203(A)(7).

Historical Note

Adopted effective August 17, 1981 (Supp. 81-4). Amended subsection (B) as an emergency effective January 13, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-1). Subsection (B), amended as an emergency, now adopted as permanent with further amendment effective April 21, 1982 (Supp. 82-2). Amended subsection (A)(1), (3) and (4) as an emergency effective November 24, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days. Former emergency amendment effective November 24, 1982 now adopted as permanent effective December 28, 1982 (Supp. 82-6). Amended as an emergency effective June 10, 1983 pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-3). Former Section R4-37-206 adopted as an emergency effective June 10, 1983, now adopted and amended as a permanent rule effective September 14, 1983 (Supp. 83-5). Amended subsection (A)(4) effective September 26, 1986 (Supp. 86-5). Amended effective September 12, 1989 (Supp. 89-3). R19-3-206 recodified from R4-37-206 (Supp. 95-1). R19-3-206 renumbered to R19-3-205; new Section R19-3-206 renumbered from R19-3-207 and amended effective October 9, 1998 (Supp. 98-4).

R19-3-207. Compliance Investigations

A. A retailer shall comply with all provisions of the Act and this Chapter. The Lottery may conduct inspections to verify compliance and, if necessary, order an audit or investigation of the business for verification.

B. Investigation of premises. A retailer shall allow investigations during the retailer's regular business hours by authorized Lottery investigators to determine whether the retailer is complying with the provisions of the Act and this Chapter.

C. A retailer shall keep all invoices, records, bills and other papers and documents relating to the purchase, sale, and validation of Lottery products that are kept in the normal course of business for tax purposes for 5 years. These records and papers shall be easily accessible to the Lottery authorized investigator for examination or audit. Non-paper types of storage, such as microfiche, may be used. Records may be stored at a central location.

Historical Note

Adopted as an emergency effective June 10, 1983 pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-3). Former Section R4-37-207 adopted as an emergency effective June 10, 1983, now adopted and amended as a permanent rule effective September 14, 1983 (Supp. 83-5). Amended subsections (B) and (J) effective September 26, 1986 (Supp. 86-5). Amended effective September 12, 1989 (Supp. 89-3). R19-3-207 recodified from R4-37-207 (Supp. 95-1). R19-3-207 renumbered to R19-3-206; new Section R19-3-207 adopted effective October 9, 1998 (Supp. 98-4).

ARTICLE 3. INSTANT LOTTERY GAMES

R19-3-301. Repealed

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section R4-37-301 adopted effective August 17, 1981 (Supp. 81-4). Former Section R4-37-301 repealed, new Section R4-37-301 adopted effective March 6, 1986 (Supp. 86-2). Amended subsections (F) and (I) effective September 26, 1986 (Supp. 86-5). Amended effective September 12, 1989 (Supp. 89-3). Emergency amendment adopted effective April 20, 1993, pursuant to A.R.S. § 41-1026, valid for only 90 days (Supp. 93-2). Emergency amendments permanently adopted with changes effective July 20, 1993 (Supp. 93-3). R19-3-301 recodified from R4-37-301 (Supp. 95-1). Repealed effective October 25, 1996 (Supp. 96-4).

R19-3-302. "Jingle Bucks"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "$1", "$2", "$5", "$10", "$25", "$100", or "$500" with confirming captions. The play symbols captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$25	TWFDOL
$100	ONEHUND
$500	FIVHUND

B. A pack-ticket number beginning with 000001 is located in the lower-left side on the back of the ticket.

C. The retailer-validation code verifies instant winners of $1, $2, $5, $10, $25, $100, or $500 tickets. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWF	=	$25
FIV	=	$5	ONH	=	$100
			FHN	=	$500

D. A prize winner in the "JINGLE BUCKS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 9 play symbols. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches 3 like play symbols, he or she wins that prize. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$25	=	$25 (twenty-five dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$500	=	$500 (five hundred dollars)

Historical Note

Adopted as an emergency effective May 26, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-3). New Section 4-37-302 adopted as an emergency effective August 13, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-4). Former Section 4-37-

302 adopted R4-37-302 adopted as an emergency now adopted as a permanent rule effective October 15, 1981 (Supp. 81-5). Former Section R4-37-302 repealed, new Section R4-37-302 adopted effective March 6, 1986 (Supp. 86-2). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective February 28, 1992 (Supp. 92-1). Repealed effective November 28, 1994 (Supp. 94-4). R-19-3-302 recodified from R4-37-302. Adopted effective September 13, 1995 (Supp. 95-3).

R19-3-303. "Cactus Cash"

A. Nine play symbols, which are contiguous to each other in 3 rows, appear under the latex in the play area located on the right side of the front of the ticket and are one of the following: "", "$1", "$2", "$5", "$10", "$20", "$100", or "$1,000" with confirming captions.

B. A pack-ticket number beginning with 100001 is located in the lower-center portion on the back of the ticket.

C. Play-symbol captions correspond with and verify each of the play symbols as follows:

Play Symbols	Caption
	DOUBLE
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWENTY
$100	ONEHUND
$1,000	ONETHOU

D. The retailer-validation code verifies instant winners of $1, $2, $4, $5, $10, $20, or $100. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE=	$1	TEN = $10
TWO=	$2	TWY= $20
FOR=	$4	ONH = $100
FIV =	$5	

E. A prize winner in the "CACTUS CASH" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 9 play symbols. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches three like play symbols, he or she wins that prize. If the player matches three like play symbols plus a "", the prize amount is doubled. There may be only one prize per ticket. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$1+	=	$2 (two dollars) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$2+	=	$4 (four dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$5+	=	$10 (ten dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$10+	=	$20 (twenty dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$1,000	=	$1,000 (one thousand dollars)

Historical Note

Adopted as an emergency effective October 14, 1981, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 81-5). Former Section R4-37-303 adopted as an emergency now adopted as a permanent rule effective December 17, 1981 (Supp. 81-6). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-303 adopted effective May 2, 1986 (Supp. 86-2). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective February 28, 1992 (Supp. 92-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-303 recodified from R4-37-303. (Supp. 95-1). Adopted effective September 13, 1995 (Supp. 95-3).

R19-3-304. "Blackjack"

A. In the latex play area located on the right side of the ticket, 3 play symbols appear in a vertical row with "YOUR HAND" printed above and are one of the following: "13", "14", "15", "16", "17", "18", "19", "20", or "21", with confirming captions. Three play symbols appear in a vertical row with "DEALER'S HAND" printed above and are one of the following: "12", "13", "14", "15", "16", "17", "18", "19", or "20", with confirming captions. The play-symbol captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY
21	TYN

B. Three prize symbols appear in a vertical row with "PRIZE" printed above and are one of the following: "$1", "$2", "$5", "$20", "$40", "$250", or "$21,000" with confirming captions as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$20	TWYDOL
$40	FRYDOL
$250	2HUND50
$21,000	TYNTHOU

C. A pack-ticket number beginning with 700001 is located in the lower-left portion on the back of the ticket.

D. The retailer-validation code verifies instant winners of a $1, $2, $3, $5, $10, $15, $40, or $250 ticket. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

$1	=	ONE	$10	=	TEN
$2	=	TWO	$15	=	FTN
$3	=	THR	$40	=	FTY
$5	=	FIV	$250	=	THF

E. A prize winner in the "BLACKJACK" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as the "1st Game", the 2 play symbols and prize symbol identified as the "2nd Game", and the 2 play symbols and prize symbol identified as the "3rd Game". Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the player's "YOUR HAND" beats "DEALER'S HAND" in either the "1st Game", "2nd Game", or "3rd Game", the player wins the prize shown

for the game. There may be 3 winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1+$1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1+$1+$1	=	$3 (three dollars) or
$5	=	$5 (five dollars) or
$1+$2+$2	=	$5 (five dollars) or
$5+$5	=	$10 (ten dollars) or
$5+$5+$5	=	$15 (fifteen dollars) or
$20+$20	=	$40 (forty dollars) or
$40	=	$40 (forty dollars) or
$250	=	$250 (two hundred fifty dollars) or
$21,000	=	$21,000 (twenty-one thousand dollars)

Historical Note

Adopted as an emergency effective January 13, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-1). Former Section R4-37-304 adopted as an emergency now adopted as a permanent rule effective February 16, 1982 (Supp. 82-1). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-304 adopted effective June 30, 1986 (Supp. 86-3). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective March 28, 1992 (Supp. 92-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-304 recodified from R4-37-304 (Supp. 95-1). Adopted effective September 13, 1995 (Supp. 95-3).

R19-3-305. "Bingo"

A. In the latex play area located on the right side of the ticket, four play areas called "PLAYER'S CARDS" appear and are identified as "CARD 1", "CARD 2", "CARD 3", and "CARD 4". Within each "CARD", five play symbols appear in a vertical row with "B" above and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", or "15". Five play symbols appear in a vertical row with "I" printed above and are one of the following: "16", "17", "18", "19", "20", "21", "22", "23", "24", "25", "26", "27", "28", "29", or "30". Five play symbols appear in a vertical row with "N" printed above and are one of the following: "31", "32", "33", "34", "35", "36", "37", "38", "39", "40", "41", "42", "43", "44", or "45". The third play spot in column "N" will always be the word "FREE". Five play symbols appear in a vertical row with "G" printed above and are one of the following: "46", "47", "48", "49", "50", "51", "52", "53", "54", "55", "56", "57", "58", "59", or "60". Five play symbols appear in a vertical row with "O" printed above and are one of the following: "61", "62", "63", "64", "65", "66", "67", "68", "69", "70", "71", "72", "73", "74", or "75".

B. In the latex area located on the left side of the ticket is a play area identified as "CALLER'S CARD". Twenty-four play spots appear in three columns of eight and are one of the following: B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, I16, I17, I18, I19, I20, I21, I22, I23, I24, I25, I26, I27, I28, I29, I30, N31, N32, N33, N34, N35, N36, N37, N38, N39, N40, N41, N42, N43, N44, N45, G46, G47, G48, G49, G50, G51, G52, G53, G54, G55, G56, G57, G58, G59, G60, O61, O62, O63, O64, O65, O66, O67, O68, O69, O70, O71, O72, O73, O74, and O75.

C. A pack-ticket number beginning with 500001 is located on the lower-left area on the back of the ticket.

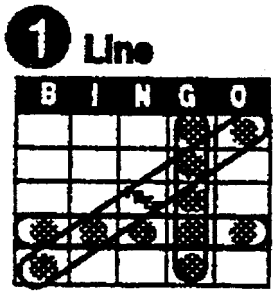
D. The retailer-validation code verifies instant winners of a $2, $3, $5, $10, $25, $30, $40, $50, $150, $200, or $250 ticket. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

$2	=	TWO	$40	=	FRY
$3	=	THR	$50	=	FTY
$5	=	FIV	$150	=	ONF
$10	=	TEN	$200	=	THN
$25	=	TWF	$250	=	THY
$30	=	TRY			

E. A prize winner in the "BINGO" instant game is determined by removing the latex from the "CALLER'S CARD" play area on the front of the ticket to determine the play symbols. The player matches the play symbols on the "CALLER'S CARD" to the play symbols on the four "PLAYER'S CARDS". Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player matches five consecutive play symbols on one of the four "PLAYER'S CARDS" in any horizontal, vertical, or diagonal line as shown in illustration number one on the back of each "BINGO" instant game and Illustration A, matches play symbols in all four corners in one of the four "PLAYER'S CARDS" as shown in illustration number two on the back of each "BINGO" card and Illustration B, or matches five consecutive play symbols in both diagonals forming an "X" in any one of the four cards as shown in illustration number three on the back of each "BINGO" instant game and Illustration C, the player wins the prize amount indicated on the appropriate winning "PLAYER'S CARD". Players can win up to four times on a ticket. The prizes are as follows:

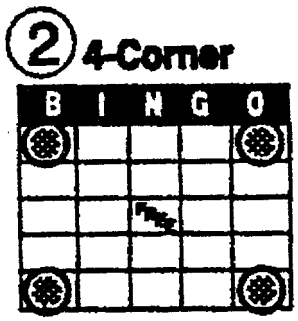
Horizontal, vertical, or diagonal line, Card 1	=	$2 (two dollars) or
Horizontal, vertical, or diagonal line, Card 2	=	$3 (three dollars) or
Horizontal, vertical, or diagonal line, Card 1 plus Card 2	=	$5 (five dollars) or
Horizontal, vertical, or diagonal line, Card 3	=	$10 (ten dollars) or
Horizontal, vertical, or diagonal line, Card 4	=	$25 (twenty-five dollars) or
Horizontal, vertical, or diagonal line, on Card 1, plus Card 2, plus Card 4	=	$30 (thirty dollars) or
Horizontal, vertical, or diagonal line on Card 1, plus Card 2, plus Card 3, plus Card 4	=	$40 (forty dollars) or
Four corners, Card 2	=	$50 (fifty dollars) or
Both diagonal lines ("X"), Card 1	=	$150 (one hundred fifty dollars) or
Four corners on Card 1, plus four corners on Card 3, plus a horizontal, vertical, or diagonal line on Card 4	=	$200 (two hundred dollars) or
Four corners on Card 2, plus both diagonal lines ("X") on Card 1	=	$200 (two hundred dollars) or
Four corners on Card 4	=	$250 (two hundred fifty dollars) or
Four corners on Card 1, plus Card 2, plus Card 3, plus a horizontal, vertical, or diagonal line on Card 4	=	$250 (two hundred fifty dollars) or
Both diagonal lines ("X") on Card 2	=	$250 (two hundred fifty dollars) or
Both diagonal lines ("X") on Card 3	=	$1,000 (one thousand dollars) or
Both diagonal lines ("X") on Card 4	=	$10,000 (ten thousand dollars)

Illustration A. Line



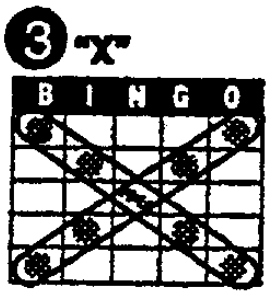
1 - Match all bingo numbers in a complete horizontal, vertical, or diagonal line to win $2 to $25.

Illustration B. Four Corners



2 - Match all bingo numbers in all 4 corners to win $25 to $250.

Illustration C. "X"



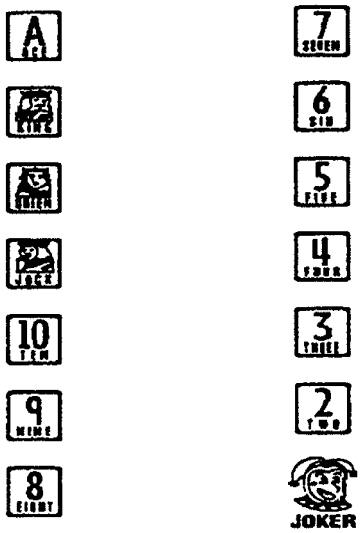
3 - Match all bingo numbers to make a complete "X" (8 numbers + "Free Space") to win $15 to $10,000.

Historical Note

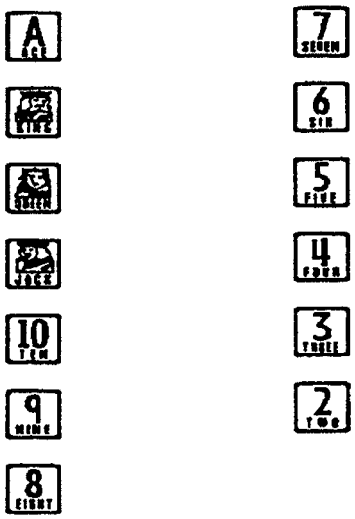
Adopted as an emergency effective May 21, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-3). Former Section R4-37-305 adopted as an emergency now adopted as a permanent rule effective August 19, 1982 (Supp. 82-4). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-305 adopted effective August 28, 1986 (Supp. 86-4) Repealed effective September 12, 1989 (Supp. 89-3). Former R4-37-323 adopted and renumbered as R4-37-305 effective November 1, 1989 (Supp. 89-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-305 recodified from R4-37-305 (Supp. 95-1). New Section R19-3-305 adopted effective November 3, 1995 (Supp. 95-4).

R19-3-306. "Joker's Wild"

A. Four play symbols, which are in a horizontal row, appear under the latex in the play area located on the center right portion of the ticket with "YOUR CARD" printed below each play symbol and are one of the following play spots and captions:



B. One winning number symbol appears on the upper-right portion of the play area with "DEALER'S CARD" printed above and is one of the following play spots and captions:



C. A pack-ticket number beginning with 200001 is located in lower-left portion on the back of the ticket.

D. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$25	TWFDOL
$50	FTYDOL
$500	FIVHUND
$1,000	ONETHOU

E. The retailer validation code verifies instant winners of $1, $2, $5, $10, $25, $50, or $500. The retailer validation code which

corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWF	=	$25
FIV	=	$5	FFY	=	$50
			FHN	=	500

F. A prize winner in the "JOKER'S WILD" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 4 play symbols and the winning number symbol. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR CARD" symbol matches the "DEALER'S CARD" symbol, the player wins the prize amount directly under the play symbol. If a "JOKER" appears in the winning symbol play spot, the player automatically wins the prize indicated. There may be 4 ways to win on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1 (w/"JOKER")	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$1 + ($1 w/"JOKER")	=	$2 (two dollars) or
$2 (w/"JOKER")	=	$2 (two dollars) or
$1 + $1 + $1 +$2	=	$5 (five dollars) or
$2 + $2 +$1	=	$5 (five dollars) or
$5 (w/"JOKER")	=	$5 (five dollars) or
$5 + $2 + $2 + $1	=	$10 (ten dollars) or
$10 (w/"JOKER")	=	$10 (ten dollars) or
$5 + $5 +$5 +$10	=	$25 (twenty-five dollars) or
$25 + (w/"JOKER")	=	$25 (twenty-five dollars) or
$25 + $10 + $10 + $5	=	$50 (fifty dollars) or
$50 (w/"JOKER")	=	$50 (fifty dollars) or
$500	=	$500 (five hundred dollars) or
$1,000	=	$1,000 (one thousand dollars)

Historical Note

Adopted as an emergency effective July 15, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-4). Former Section R4-37-306 adopted as an emergency now adopted as a permanent rule effective October 20, 1982 (Supp. 82-5). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-306 adopted as an emergency effective November 14, 1986, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 86-6). Adopted without change as a permanent rule effective February 12, 1987 (Supp. 87-1). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective January 5, 1990 (Supp. 90-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-306 recodified from R4-37-306. (Supp. 95-1). New Section adopted effective December 6, 1995 (Supp. 95-4).

R19-3-307. "Double 21"

A. In the latex play area located on the right side of the ticket, 3 play symbols appear in a vertical row with "YOUR HAND" printed above and will be one of the following play symbols: "13", "14", "15", "16", "17", "18", "19", "20", or "21" with confirming captions. Three play symbols appear in a vertical row with "HOUSE HAND" printed above and will be one of the following play symbols "12", "13", "14", "15", "16", "17", "18", "19", or "20" with confirming captions. The captions are as follows:

Play Symbol	Caption
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY
21	DBL

B. Three prize symbols appear in a vertical row with "PRIZE" printed above and are one of the following: "$1", "$2", "$5" "$10", "$20", "$40", "$250", and "$2,000" with confirming captions. The prize symbols and confirming captions are as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$40	FRYDOL
$250	2HUND50
$2,000	TWOTHOU

C. A pack-ticket number is located on the lower-left side of the back of the ticket and begins with 300001.

D. The retailer-validation code verifies instant winners of $1, $2, $3, $5, $10, $15, $40, and $250. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	FTN	=	$15
THR	=	$3	FTY	=	$40
FIV	=	$5	THF	=	$250

E. A prize winner in the "DOUBLE 21" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as "Game 1", the 2 play symbols and prize symbol identified as "Game 2", and the 2 play symbols and prize symbol identified as "Game 3". Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the ticket holder's "YOUR HAND" beats "HOUSE HAND" in either "Game 1", "Game 2", or "Game 3", the player wins the prize shown for that game. There may be 3 winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1 + $1	=	$2 (one dollars) or
$1 (w/ "21")	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1 + $1 + $1	=	$3 (three dollars) or
$1 + ($1 w/ "21")	=	$3 (three dollars) or
$5	=	$5 (five dollars) or
$2 + $2 + $1	=	$5 (five dollars) or
$1 + ($2 w/"21")	=	$5 (five dollars) or
$5 + $5	=	$10 (ten dollars) or
$5 + $5 + $5	=	$15 (fifteen dollars) or
$5 + ($5 w/ "21")	=	$15 (fifteen dollars) or
$40	=	$40 (forty dollars)
$20 + ($10 w/"21")	=	$40 (forty dollars)
$250	=	$250 (two hundred fifty dollars) or
$2,000	=	$2,000 (two thousand

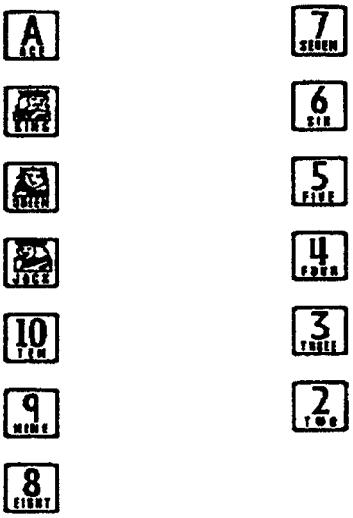
dollars)

Historical Note

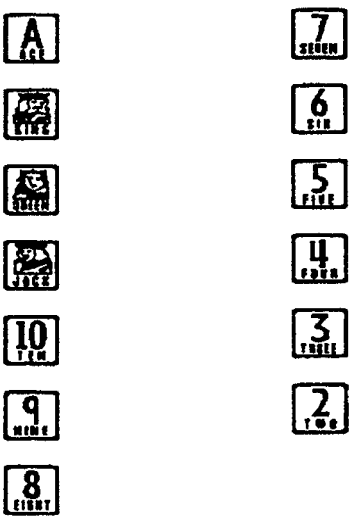
Adopted as an emergency effective September 24, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-5). Readopted without change as an emergency effective December 20, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-5). Former Section R4-37-307 adopted as an emergency now adopted as a permanent rule without change effective March 23, 1983 (Supp. 83-2). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-307 adopted effective January 6, 1987 Supp. 87-1). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective March 7, 1990 (Supp. 90-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-307 recodified from R4-37-307. (Supp. 95-1). New Section adopted effective December 6, 1995 (Supp. 95-4).

R19-3-308. "Match the House"

A. Four play symbols, which are in a horizontal row, appear under the latex in the play area located on the center portion of the ticket with "YOUR CARD" printed above each play symbol and are one of the following play spots and captions:



B. One winning number symbol appears on the upper-center portion of the play area with "HOUSE CARD" printed above and is one of the play spots:



C. A pack-ticket number beginning with 400001 is located in lower-left portion on the back of the ticket.

D. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$2,000	TWOTHOU

E. The retailer-validation code verifies instant winners of $1, $2, $5, $10, $20, $50, or $100. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FFY	=	$50
			ONH	=	$100

F. A prize winner in the "MATCH THE HOUSE" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 4 play symbols and the winning number symbol. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR CARD" symbol matches the "HOUSE CARD" symbol, the player wins the prize amount directly under the play symbol. There may be 4 ways to win on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$1 + $1	=	$2 (two dollars) or
$2+ $2 + $1	=	$5 (five dollars) or
$2 + $3	=	$5 (five dollars) or
$5 + $5	=	$10 (ten dollars) or
$5 + $2 + $2 + $1	=	$10 (ten dollars) or
$5 + $5 + $10	=	$20 (twenty dollars) or
$10 + $5 + $3 + $2	=	$20 (twenty dollars) or
$50	=	$50 (fifty dollars) or
$100	=	$100 (one hundred dollars) or
$2,000	=	$2,000 (two thousand dollars

Historical Note

Adopted as an emergency effective December 28, 1982, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-6). Former Section R4-37-308 adopted as an emergency now adopted as a permanent rule without change effective March 23, 1983 (Supp. 83-2). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-308 adopted effective March 5, 1987 (Supp. 87-2). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective April 10, 1990 (Supp. 90-2). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-308 recodified from R4-37-308 (Supp. 95-1). New Section adopted effective December 6, 1995 (Supp. 95-4).

R19-3-309. "Diamond Bucks"

A. In the latex play area located on the right side of the ticket, 3 play symbols appear in a vertical row with YOUR SCORE printed above and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", and "10" with confirming captions. Three play symbols appear in a vertical row with THEIR SCORE printed above and are 1 of the following: "0", "1", "2", "3", "4", "5", "6", "7", "8", and "9" with confirming captions.

B. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
0	ZRO
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN

C. Three prize symbols appear in a vertical row with PRIZE printed above and are 1 of the following: "$1", "$2", "$3", "$9", "$18", "$27", "$300", "$600", or "$900" with confirming captions.

D. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$9	NINEDOL
$18	EGNDOL
$27	TYSDOL
$300	THRHUND
$600	SIXHUND
$900	NINHUND

E. One prize symbol appears directly under the play area with BONUS BOX printed above and is 1 of the following: "JERSEY", "BAT", "BASEBALL", or "TRY AGAIN".

F. A pack-ticket number beginning with 600001 is located in the lower left portion on the back of the ticket.

G. The retailer validation code verifies instant winners of "$1", "$2", "$3", "$9", "$18", "$27", or "$300":

$1	=	ONE
$2	=	TWO
$3	=	THR
$9	=	NIN
$18	=	EGN
$27	=	TYS
$300	=	TRN

h. A prize winner in the "DIAMOND BUCKS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as Game One, the 2 play symbols and prize symbol identified as Game Two, the 2 play symbols and prize symbol identified as Game Three, and 1 play symbol identified as BONUS BOX. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket holder's YOUR SCORE beats THEIR SCORE in either Game One, Game Two, or Game Three, he or she wins the prize shown for that game. There may be 3 winning games on a ticket. If the ticket reveals "JERSEY", "BAT", or "BASEBALL" as a play symbol in the BONUS BOX, he or she wins that prize. If the player wins $600 or more on any 1 ticket, the player shall redeem the winning ticket at any Lottery office. Each "DIAMOND BUCKS" winning lottery ticket of $600 or more automatically enters the winner into a drawing to attend a Fantasy Baseball Camp. There will be a maximum of 20 Fantasy Baseball Camp winners. The drawing date or dates will be held during mid-August 1996 or later and the Fantasy Camp will take place sometime between September 1, 1996, and December 31, 1996. Players may contact the Lottery offices or participating retailers after July 1, 1996, for specific information regarding the drawing date or dates and Fantasy Baseball Camp date or dates. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$1 + $1	=	$2 (two dollars) or
$3	=	$3 (three dollars) or
$1 +$2	=	$3 (three dollars) or
$1 + $1 + $1	=	$3 (three dollars) or
$9	=	$9 (nine dollars) or
$3 +$3 +$3	=	$9 (nine dollars) or
$18	=	$18 (eighteen dollars) or
$9 +$9	=	$18 (eighteen dollars) or
$27	=	$27 (twenty-seven dollars) or
$9 +$9 +$9	=	$27 (twenty-seven dollars) or
$300	=	$300 (three hundred dollars) or
$600	=	$600 (six hundred dollars) or
$300 +$300	=	$600 (six hundred dollars) or
$900	=	$900 (nine hundred dollars) or
$300 +$300 +$300	=	$900 (nine hundred dollars) or
JERSEY	=	baseball jersey or
BAT	=	baseball bat
BASEBALL	=	baseball or
TRY AGAIN	=	no prize

Historical Note

Adopted as an emergency effective February 18, 1983, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 82-6). Former Section R4-37-309 adopted as an emergency now adopted as a permanent rule with amendments in subsection (F)(1) and (4) effective April 13, 1983 (Supp. 83-2). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-309 adopted effective April 8, 1987 (Supp. 87-2). Repealed effective September 12, 1989 (Supp. 89-3). New Section adopted effective June 25, 1990 (Supp. 90-2). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-309 recodified from R4-37-309 (Supp. 95-1). New Section adopted effective January 30, 1996 (Supp. 96-1).

R19-3-310. "Fat Cat"

A. Six play symbols, which are contiguous to each other in 2 rows, appear under the latex in the play area located on the right side on the front of the ticket and are 1 of the following: "$1", "$2", "$5", "$10", "$20", "$50", "$100", or "$1,000" with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$50	FTYDOL
$100	ONEHUND
$1,000	ONETHOU

B. The pack-ticket number begins with 800001. The pack-ticket number is located in the lower-left side on the back of the ticket.

C. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $50, and $100 tickets. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TWY	=	$20
TWO	=	$2	FFY	=	$50
FIV	=	$5	ONH	=	$100
TEN	=	$10			

D. A prize winner in the "FAT CAT" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 6 play symbols. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches 3 like play symbols, he or she wins that prize. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$50	=	$50 (fifty dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$1,000	=	$1,000 (one thousand dollars)

Historical Note

Adopted as an emergency effective May 18, 1983, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-3). Former Section R4-37-310 adopted as an emergency now adopted as a permanent rule without change effective August 17, 1983 (Supp. 83-4). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-310 adopted effective June 26, 1987 (Supp. 87-3). Repealed effective September 12, 1989 (Supp. 89-3). New Section R4-37-310 adopted effective August 2, 1990 (Supp. 90-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-310 recodified from R4-37-310 (Supp. 95-1). New Section adopted effective March 6, 1996 (Supp. 96-1).

R19-3-311. "Winning Pairs"

A. Four pairs of 2 play symbols, which are in a horizontal row, appear under the latex in the play area located on the lower portion of the ticket. The 1st pair has "HAND 1" printed above, the 2nd pair has "HAND 2" printed above, the 3rd pair has "HAND 3" printed above, and the 4th pair has "HAND 4" printed above. Play symbol captions correspond with and verify each of the play symbols as follows:

B. A pack-ticket number beginning with 900001 is located in the lower-left portion on the back of the ticket.

C. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Play Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$1,000	ONETHOU

D. The retailer-validation code verifies instant winners of $1, $2, $4, $5, $10, $20, $50, or $100. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FOR	=	$4	FFY	=	$50
FIV	=	$5	ONH	=	$100

E. A prize winner in the "WINNING PAIRS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 4 pairs of 2 play symbols. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's cards match each other in either "HAND 1", "HAND 2", "HAND 3", or "HAND 4", the player wins the amount printed below. There may be 4 ways to win on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$1 + $1	=	$2 (two dollars) or
$1 + $1 + $1 + $1	=	$4 (four dollars) or
$2 +$2 +$1	=	$5 (five dollars) or
$2 +$3	=	$5 (five dollars) or
$5 +$5	=	$10 (ten dollars) or
$5 +$2 +$2 +$1	=	$10 (ten dollars) or
$5 +$5 +$10	=	$20 (twenty dollars) or
$10 +$5 +$3 +$2	=	$20 (twenty dollars) or
$50	=	$50 (fifty dollars) or
$100	=	$100 (one hundred dollars) or
$1,000	=	$1,000 (one thousand dollars)

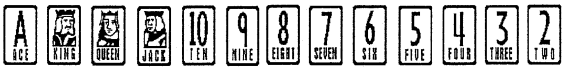
Historical Note

Adopted as an emergency effective July 1, 1983, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-4). Former Section R4-37-301 adopted as an emergency now adopted as a permanent rule without change effective September 29, 1983 (Supp. 83-5). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-311 adopted effective September 10, 1987 (Supp. 87-3). Repealed effective September 12, 1989 (Supp. 89-3). New Section 4-37-311 adopted effective August 2, 1990 (Supp. 90-3). Labels for subsections (E) and (F) changed (Supp. 91-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-311 recodified from R4-37-311 (Supp. 95-1). New Section adopted effective March 6, 1996 (Supp. 96-1).

R19-3-312. "Five Card Stud"

A. Five play symbols, which are contiguous to each other in 3 rows, appear under the latex in the play area located on the right side on the front of the ticket with the words, "YOUR HANDS" printed above. The play symbol captions correspond

with and verify the play symbols as follows:



B. To the right of the play symbols, 3 prize symbols appear in a vertical row with "PRIZE" printed above. The play symbol captions correspond with and verify the play symbols as follows:

$1 = ONEDOL$25=TWFDOL
$2 = TWODOL$50=FTYDOL
$5 = FIVEDOL$100=ONEHUND
$10 = TENDOL$1,000=ONETHOU

C. The pack-ticket number begins with 000001. The pack-ticket number is located in the lower-left side on the back of the ticket.

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $25, $50, $100, and $300 tickets. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE= $1TWY=$20
TWO= $2TWF=$25
FIV = $5FFY=$50
TEN= $10ONH=$100
TRN=$300

E. A prize winner is the "FIVE CARD STUD" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 5 play symbols in "HAND 1", "HAND 2", and "HAND 3." Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such.

1. If the ticket owner matches 2 like play symbols in either "HAND 1", "HAND 2", or "HAND 3", the player will receive 1 of the following prizes in the columns labeled "PRIZE" (a player may win up to 3 times per ticket):
   $1= $1 (one dollar) or
   $1 + $1=$2 (two dollars) or
   $2= $2 (two dollars) or
   $2 + $2 + $1=$5 (five dollars) or
   $5= $5 (five dollars) or
   $5 + $5=$10 (ten dollars) or
   $10 + $10 + $5=$25 (twenty-five dollars) or
   $50=$50 (fifty dollars) or
   $100 + $100 + $100=$300 (three hundred dollars) or
2. If a player receives 3 like play symbols in either "HAND 1", "HAND 2", or "HAND 3", the amount in the "PRIZE" column will be doubled. The following prizes may be won (a player may win up to 3 times per ticket):
   $1 (double)=$2 (two dollars) or
   $5 (double)=$10 (ten dollars) or
   $10 (double)=$20 (twenty dollars) or
   $25 (double)=$50 (fifty dollars) or
   $50 (double)=$100 (one hundred dollars) or
   $1,000 (double)=$2,000 (two thousand dollars)

Historical Note

Adopted effective September 21, 1983 (Supp. 83-5). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-312 adopted effective November 12, 1987 (Supp. 87-4). Repealed effective September 12, 1989 (Supp. 89-3). New Section R4-37-312 adopted effective October 12, 1990 (Supp. 90-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-312 recodified from R4-37-312 (Supp. 95-1). New Section adopted effective May 13, 1996 (Supp. 96-2).

R19-3-313. "Bowling For Bucks"

A. Three play symbols appear in a column under the latex in the play area located on the right portion of the ticket with the words "YOUR SCORE" printed above. Play symbol captions correspond with and verify each of the play symbols as follows:

140 = HNFRTY200=TWOHUN
142 = HNFRTW210=TWOTEN
145 = HNFRTV215=TWOFTN
146 = HNFRSX220=TWOTWY
149 = HNFRTN223=TWOTTR
150 = HNFFTY225=TWOTFV
154 = HNFTFR227=TWOTSV
156 = HNFTSX230=TWOTRY
160 = HNSXTY235=TWOTRV
180 = HNEGTY245=TWFRFV
185 = HNETFV250=TWOFTY
187 = HNETSV256=TWFVSX

B. Three play symbols appear in a column under the latex area located on the right portion of the ticket with the words "THEIR SCORE" printed above. Play symbol captions correspond with and verify each of the play symbols as follows:

140 = HNFRTY200=TWOHUN
142 = HNFRTW210=TWOTEN
145 = HNFRTV215=TWOFTN
146 = HNFRSX220=TWOTWY
149 = HNFRTN223=TWOTTR
150 = HNFFTY225=TWOTFV
154 = HNFTFR227=TWOTSV
156 = HNFTSX230=TWOTRY
160 = HNSXTY235=TWOTRV
180 = HNEGTY245=TWFRFV
185 = HNETFV250=TWOFTY
187 = HNETSV256=TWFVSX

C. A pack-ticket number beginning with 100001 is located in the lower-left portion on the back of the ticket.

D. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	**Caption**
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$100	ONEHUND
$1,000	ONETHOUD

E. Beneath the 3 rows will be a "BONUS BOX" with 1 of the following symbols and captions:

BOWL FREE=ONE FREE GAME
TRY AGAIN=TRY AGAIN

F. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $100, $200, $300, or Bowl Free. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE= $1TWY=$20
TWO= $2ONH=$100
FIV = $5TWH=$200
TEN= $10TRN=$300
BOL=BOWL FREE

G. A prize winner in the "BOWLING FOR BUCKS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 3 pairs of 2 play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket

holder's "YOUR SCORE" beats "THEIR SCORE" in either "GAME 1", "GAME 2", or "GAME 3", the player wins the amount indicated in the "PRIZE" box. There may be 3 changes to win cash prizes on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1 + $1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$5	=	$5 (five dollars) or
$5 + $5	=	$10 (ten dollars) or
$10	=	$10 (ten dollars) or
$10 + $10	=	$20 (twenty dollars) or
$20	=	$20 (twenty dollars) or
$100	=	$100 (one hundred dollars) or
$100 + $100	=	$200 (two hundred dollars) or
$100 + $100 + $100	=	$300 (three hundred dollars) or
$1,000	=	$1,000 (one thousand dollars)
BONUS BOX PRIZES		
BOWL FREE	=	one free game of bowling at participating bowling lanes; or
TRY AGAIN	=	Non-winning ticket.

Historical Note

Adopted effective December 1, 1983 (Supp. 83-6). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-313 adopted effective January 7, 1988 (Supp. 88-1). Automatically repealed effective January 7, 1989 (Supp. 89-1). New Section R4-37-313 adopted effective November 6, 1990 (Supp. 90-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-313 recodified from R4-37-313 (Supp. 95-1). New Section adopted effective May 13, 1996 (Supp. 96-2).

R19-3-314. "Bonus 7 Come 11"

A. In the latex play area located in the middle of the ticket, 1 horizontal row of 4 play symbol areas appear. The 1st play symbol area has "ROLL 1" printed above, the 2nd play symbol area has "ROLL 2" printed above, the 3rd play symbol has "ROLL 3" printed above, and the 4th play symbol area has "BONUS ROLL" printed above. The 4 play symbol areas contain 2 of the following play symbols: "1", "2", "3", "4", "5", or "6".

B. The play symbols captions correspond with and verify the play symbols as follows:

Play Symbol	**Caption**
1	ONE
2	TWO
3	THREE
4	FOUR
5	FIVE
6	SIX

C. Prize symbols captions correspond with and verify each of the prize symbols and are 1 of the following: "$1", "$2", "$3", "$5", "$10", "$50", "$100", or "$1,000" with confirming captions. The confirming captions are as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$1,000	ONETHOU

D. A pack-ticket number beginning with "200001" is located in the lower-left portion on the back of the ticket.

E. The retailer validation code verifies instant winners of a $1, $2, $5, $10, $20, $50, or $100 ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE= $1TWY=$20
TWO= $2FFY=$50
FIV = $5ONH=$100
TEN= $10

F. A prize winner in the "Bonus 7 Come 11" instant game is determined by removing the latex from the play area on the front of the ticket to reveal the 8 play symbols and 3 prize symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the sum of any roll in "ROLL 1", "ROLL 2", and "ROLL 3" is 7 or 11, the player wins the prize indicated in the "PRIZE" box below the corresponding roll. If the sum in "BONUS ROLL" is 7 or 11, the player wins the prizes indicated in all 3 "PRIZE" boxes. A player may win up to 3 times per ticket. The prizes are as follows:

$1 = $1 (one dollar) or
$1 + $1= $2 (two dollars) or
$2 = $2 (two dollars) or
$2 + $2 + $1=$5 (five dollars) or
$2 + $2 + $1 (w/ bonus)=$5 (five dollars) or
$3 + $2= $5 (five dollars) or
$5 + $5= $10 (ten dollars) or
$5 + $ 3+ $2 (w/ bonus)=$10 (ten dollars) or
$10 + $5 + $5=$20 (twenty dollars) or
$10 + $5 + $5 (w/ bonus)=$20 (twenty dollars) or
$50 = $50 (fifty dollars) or
$50+$50=$100 (one hundred dollars) or
$100= $100 (one hundred dollars) or
$1,000 + $1,000 + $1,000=$3,000 (three thousand dollars)

Historical Note

Adopted effective January 6, 1984 (Supp. 84-1). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-314 adopted effective March 11, 1988 (Supp. 88-1). Automatically repealed effective March 11, 1989 (Supp. 89-1). New Section R4-37-314 adopted effective December 12, 1990 (Supp. 90-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-314 recodified from R4-37-314 (Supp. 95-1). New Section adopted effective June 21, 1996 (Supp. 96-2).

R19-3-315. "3 of a Kind"

A. In the latex play area located on the right side of the ticket, 3 play symbols appear in 3 rows and will be 1 of the following play symbols and confirming captions:

B. The retailer validation code verifies instant winners of $1, $2, $3, $4, $5, $8, $20, $50, $100, and $500. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE= $1EGT=$8
TWO= $2TWY=$20
THR= $3FFY=$50
FOR= $4ONH=$100

FIV = $5FHN=$500

C. A pack ticket number beginning with "300001" is located in the lower-left portion on the back of the ticket.

D. A prize winner in the "3 of a Kind" instant game is determined by removing the latex from the play area on the front of the ticket to determine the play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the ticket holder has 3 identical play symbols in any row, column, or diagonal, the player wins the prize shown on the prize table. There may be 3 winning games on a ticket. The prizes are as follows:

Match 3 "7's" in any row,
column, or diagonal=$1 (one dollar) or

Match 3 "7's" in any row,
column, or diagonal, plus
match 3 "7's" in any other
row, column, or diagonal=$2 (two dollars) or

Match 3 "8's" in any row,
column, or diagonal=$2 (two dollars) or

Match 3 "7's" in any row,
column, or diagonal, plus
match 3 "8's" in any other
row, column, or diagonal=$3 (three dollars) or

Match 3 "7's" in any row,
column, or diagonal, plus
match 3 "7's" in any other
row, column, or diagonal,
plus match 3 "8's" in any
other row, column, or
diagonal = $4 (four dollars) or

Match 3 "9's" in any row,
column, or diagonal=$5 (five dollars) or

Match 3 "7's" in any row,
column, or diagonal, plus
match 3 "8's" in any other
row, column, or diagonal,
plus match 3 "9's" in any
other row, column, or
diagonal = $8 (eight dollars) or

Match 3 "10's" in any row,
column, or diagonal=$20 (twenty dollars) or

Match 3 "J's" in any row,
column, or diagonal=$50 (fifty dollars) or

Match 3"J's" in any row,
column, or diagonal, plus
match 3 "J's" in any other
row, column, or diagonal=$100 (one hundred dollars) or

Match 3 "Q's" in any row,
column, or diagonal=$100 (one hundred dollars)

Match 3 "K's" in any row,
column, or diagonal=$500 (five hundred dollars)

Match 3 "A's" in any row,
column, or diagonal=$5,000 (five thousand dollars).

Historical Note

Adopted effective March 22, 1984 (Supp. 84-2). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-315 adopted effective May 5, 1988. Automatically repealed effective May 5, 1989 (Supp. 89-2). New Section R4-37-315 adopted effective January 21, 1991 (Supp. 91-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-315 recodified from R4-37-315 (Supp. 95-1). New Section adopted effective June 21, 1996 (Supp. 96-2).

R19-3-316. "Heat Wave"

A. 4 play symbols, which are in a horizontal row, appear under the latex in the play area located on the right portion of the ticket with "TODAY'S HIGH" printed above each play symbol, and are 1 of the following play symbols and captions:

Play Symbol	Caption
90	NINETY
92	NTYTWO
94	NTYFOR
96	NTYSIX
98	NTYEGT
100	ONEHUN
102	HUNTWO
104	HUNFOR
106	HUNSIX
108	HUNEGT
110	HUNTEN
112	HUNTLV
114	HUNFRN
116	HUNSXN
118	HUNEGN
120	HUNTWY

B. 1 winning number symbol appears on the upper-right portion of the play area with "RECORD HIGH" printed above and is 1 of the following play symbols:

Play Symbol	Caption
90	NINETY
92	NTYTWO
94	NTYFOR
96	NTYSIX
98	NTYEGT
100	ONEHUN
102	HUNTWO
104	HUNFOR
106	HUNSIX
108	HUNEGT
110	HUNTEN
112	HUNTLV
114	HUNFRN
116	HUNSXN
118	HUNEGN
120	HUNTWY

C. A pack-ticket number beginning with 400001 is located in the lower-left portion on the back of the ticket.

D. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$5,000	FIVTHOU

E. The retailer validation code verifies instant winners of "$1", "2", "$5", "$10", "$15", "$50", "$100", or "$150". The

retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE= $1FTN=$15
TWO= $2FFY=$50
FIV = $5ONH=$100
TEN= $10OFY=$150

F. A prize winner in the "HEAT WAVE" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 4 play symbols and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "TODAY'S HIGH" symbol beats the "RECORD HIGH" symbol, the player wins the prize amount directly under the winning play symbol. There may be 4 ways to win on a ticket. The prizes are as follows:

$1 = $1 (one dollar) or
$1 + $1= $2 (two dollars) or
$2 = $2 (two dollars) or
$5 = $5 (five dollars) or
$2 + $2 + $1= $5 (five dollars) or
$5 + $5= $10 (ten dollars) or
$10 = $10 (ten dollars) or
$5 + $5 + $5=$15 (fifteen dollars) or
$50 = $50 (fifty dollars) or
$50 + $50=$100 (one hundred dollars) or
$50 + $50 + $50=$150 (one hundred fifty dollars) or
$5,000= $5,000 (five thousand dollars).

Historical Note

Adopted effective May 31, 1984 (Supp. 84-3). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-316 adopted effective June 30, 1988 (Supp. 88-2). Amended by deleting subsection (C) effective June 12, 1989 (Supp. 89-2). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-316 recodified from R4-37-316 (Supp. 95-1). New Section adopted effective June 21, 1996 (Supp. 96-2).

R19-3-317. "In The Chips"

A. In the latex play area located on the lower half of the ticket, 2 horizontal rows of 5 play symbols appear with "YOUR CHIPS" printed between the 2 rows, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", or "15" with confirming captions. 2 play symbols appear on the upper-right front of the latex area with "HOUSE CHIPS" printed above, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", or "15" with confirming captions.

B. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	**Caption**
1	ONE
2	TWO
3	THREE
4	FOUR
5	FIVE
6	SIX
7	SEVEN
8	EIGHT
9	NINE
10	TEN
11	ELVEN
12	TWLVE
13	THRTN
14	FORTN
15	FIFTN

C. Prize symbol captions correspond with and verify each of the prize symbols and are 1 of the following: "$1", "$2", "$4", "$5", "$10," "$20", "$40", "$50", "$200", "$400", or "$25,000" with confirming captions.

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$4	FORDOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$40	FRYDOL
$50	FTYDOL
$200	TWOHUND
$400	FORHUND
$25,000	TWFTHOU

D. A pack-ticket number beginning with 500001 is located in the lower-left portion on the back of the ticket.

E. The retailer validation code verifies instant winners of a "$2", "$4", "$5", "$10", "$20", "$40", or "$400" ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

TWO= $2TWY=$20
FOR= $4FTY=$40
FIV = $5FRH=$400
TEN= $10

F. A prize winner in the "IN THE CHIPS" instant game is determined by removing the latex from the play area on the front of the ticket to reveal the play symbols and prize symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If any play symbol under "YOUR CHIPS" matches either play symbol under "HOUSE CHIPS", the player wins the prize shown for that game. There are 20 chances to win 10 times on a ticket. The prizes are as follows:

$1 + $1= $2 (two dollars) or

$2 = $2 (two dollars) or

$1 + $1 + $1 + $1=$4 (four dollars) or

$2 + $2= $4 (four dollars) or

$4 = $4 (four dollars) or

$5 = $5 (five dollars) or

$1 + $4= $5 (five dollars) or

$1 + $2 + $2=$5 (five dollars) or

$1 + $1 + $1 + $1 + $1=$5 (five dollars) or

$1 + $1 + $1 + $1 + $1
$1 + $1 + $1 + $1 + $1=$10 (ten dollars) or

$ 5+ $1 + $ +$1 +$ 1+ $1=$10 (ten dollars) or

$5 + $5= $10 (ten dollars) or

$10 = $10 (ten dollars) or

$2 + $2 + $2 + $2 + $2
$2 + $2 + $2 + $2 + $2=$20 (twenty dollars) or

$4 + $4 + $4 + $4 + $4=$20 (twenty dollars) or

$10 + $10=$20 (twenty dollars) or

$20 = $20 (twenty dollars) or

$5 + $5 + $5 + $5 + $5
$5 + $5 + $5=$40 (forty dollars) or

$4 + $4 + $4 + $4 + $4
$4 + $4 + $4 + $4 + $4=$40 (forty dollars) or

$10 + $10 + $10 + $10=$40 (forty dollars) or

$20 + $20=$40 (forty dollars) or

$40 = $40 (forty dollars) or

$50 + $50 + $50 + $50
$50 + $50 + $50 + $50=$400 (four hundred dollars) or

$200 + $40 + $40 +
$40 + $40 + $40=$400 (four hundred dollars) or

$200 + $200=$400 (four hundred dollars) or

$400= $400 (four hundred dollars) or
$25,000 =$25,000 (twenty-five thousand dollars)

Historical Note

Adopted effective July 12, 1984 (Supp. 84-4). Repealed effective September 12, 1989 (Supp. 89-3). New Section R4-37-317 adopted effective January 21, 1991 (Supp. 91-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-317 recodified from R4-37-317 (Supp. 95-1). New Section adopted effective June 21, 1996 (Supp. 96-2).

R19-3-318. "Instant Jackpot"

A. Three play symbols, which are contiguous to each other in 4 rows, appear under the latex in the play area located on the right side on the front of the ticket and are 1 of the following:

B. The word "PRIZE" appears to the right of each row of play symbols and is 1 of the following:

Play Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$500	FIVHUND
$5,000	FIVTHOU

C. The pack-ticket number begins with 600001. The pack-ticket number is located in the lower-left side on the back of the ticket.

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $50, $100, $200, or $500 tickets. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	FFY	=	$50
TWO	=	$2	ONH	=	$100
FIV	=	$5	TWH	=	$200
TEN	=	$10	FHN	=	$500

E. A prize winner in the "INSTANT JACKPOT" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 12 play symbols in "PLAY 1", "PLAY 2", "PLAY 3", and "PLAY 4" and the 4 prize symbols in the "PRIZE" box in "PLAY 1", "PLAY 2", "PLAY 3", and "PLAY 4". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches any 3 like play symbols in Illustration "A" in either "PLAY 1", "PLAY 2", "PLAY 3", or "PLAY 4", the ticket owner wins the prize in the corresponding "PRIZE" box. If "WIN" appears in any of the 1st 3 play spots in either "PLAY 1", "PLAY 2", "PLAY 3", or "PLAY 4", the ticket holder automatically wins the prize in the "PRIZE" box for that corresponding row. There are 4 chances to win on a ticket. The prizes in the "PRIZE" play area are as follows:

$1	=	$1 (one dollar) or
$1 + $1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1 + $1 + $1 + $2	=	$5 (five dollars) or
$1 + $2 + $2	=	$5 (five dollars) or
$5	=	$5 (five dollars) or
$5 + $2 + $2 + $1	=	$10 (ten dollars) or
$5 + $5	=	$10 (ten dollars) or
$10	=	$10 (ten dollars) or
$50	=	$50 (fifty dollars) or
$50 + $50	=	$100 (one hundred dollars) or
$50 + $50 + $50 + $50	=	$200 (two hundred dollars) or
$500	=	$500 (five hundred dollars) or
$5,000	=	$5,000 (five thousand dollars) or
$5,000 +$5,000+$5,000	=	$15,000 (fifteen thousand dollars)

"WIN" symbol will equal the amount indicated in the corresponding prize box and will be 1 of the following:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$5	=	$5 (five dollars) or
$10	=	$10 (ten dollars) or
$500	=	$500 (five hundred dollars)

Historical Note

Adopted effective July 26, 1984 (Supp. 84-4). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-318 adopted effective August 10, 1988 (Supp. 88-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-318 recodified from R4-37-318 (Supp. 95-1). New Section adopted effective July 19, 1996 (Supp. 96-3).

Illustration "A"

Historical Note

Adopted effective July 19, 1996 (Supp. 96-3).

R19-3-319. "Cactus Cash"

A. Nine play symbols, which are contiguous to each other in 3 rows, appear under the latex in the play area located on the right side of the front of the ticket and are 1 of the following: "🌵", "$1", "$2", "$5", "$10", "$20", "$100", or "$1,000" with confirming captions.

B. A pack-ticket number beginning with 700001 is located in the lower-left portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
🌵	DOUBLE
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL

$10	TENDOL
$20	TWENTY
$100	ONEHUND
$1,000	ONETHOU

D. The retailer validation code verifies instant winners of $1, $2, $4, $5, $10, $20, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FOR	=	$4	ONH	=	$100
FIV	=	$5			

E. A prize winner in the "CACTUS CASH" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 9 play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches 3 like play symbols, the ticket owner wins that prize. If the player matches 3 like play symbols plus a " ", the prize amount is doubled. There may be only 1 prize per ticket. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$1 +	=	$2 (two dollars) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$2 +	=	$4 (four dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$5 +	=	$10 (ten dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$10 +	=	$20 (twenty dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$1,000	=	$1,000 (one thousand dollars)

Historical Note

Adopted effective September 14, 1984 (Supp. 84-5). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-319 adopted effective November 9, 1988 (Supp. 88-4). Section expired November 9, 1989 (Supp. 90-1). R19-3-319 recodified from R4-37-319 (Supp. 95-1). New Section adopted effective July 19, 1996 (Supp. 96-3).

R19-3-320. "Money Bags"

A. Four play symbols, which are in a horizontal row, appear under the latex in the play area located on the center-right portion of the ticket with "YOUR NUMBER", printed above each play symbol, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", or "9" with confirming captions. One winning number symbol appears on the upper-right portion of the play area with "WINNING NUMBER" printed above and is 1 of the following: "1", "2", "3", "4","5", "6", "7", "8", or "9" with confirming captions.

B. A pack-ticket number beginning with 800001 is located in lower-left portion on the back of the ticket.

C. "YOUR NUMBER" play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THREE
4	FOUR
5	FIVE
6	SIX
7	SEVEN
8	EIGHT
9	NINE

D. "WINNING NUMBER" play symbol captions correspond with and verify each of the winning number symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THREE
4	FOUR
5	FIVE
6	SIX
7	SEVEN
8	EIGHT
9	NINE

E. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$2,500	TWFHUND

F. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $50, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FFY	=	$50
			ONH	=	$100

G. A prize winner in the "MONEY BAGS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 4 play symbols and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR NUMBER" symbol matches the "WINNING NUMBER" symbol, the player wins the prize amount directly under the play symbol. There may be 4 ways to win on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$2 + $2 + $1	=	$5 (five dollars) or
$3 + $2	=	$5 (five dollars) or
$5 + $5	=	$10 (ten dollars) or
$5 + $2 + $3	=	$10 (ten dollars) or
$5 + $5 + $10	=	$20 (twenty dollars) or
$10 +$5 + $3 + $2	=	$20 (twenty dollars) or
$50	=	$50 (fifty dollars) or
$100	=	$100 (one hundred dollars) or
$2,500	=	$2,500 (two-thousand five hundred dollars)

Historical Note

Adopted effective November 15, 1984 (Supp. 84-6). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-320 adopted effective January 6, 1989 (Supp. 89-1). Section expired effective January 6, 1990 (Supp. 90-1). R19-3-320 recodified from R4-37-320

(Supp. 95-1). New Section adopted effective July 19, 1996 (Supp. 96-3).

R19-3-321. "Ace in the Hole"

A. Three play symbols appear in a column in the left side of the latex area with "YOUR CARD" printed above. Three play symbols appear in the center column of the latex area with "THEIR CARD" printed above. Three prize symbols appear in the right column in the latex area with "PRIZE" printed above. A prize symbol in the lower-right portion of the latex area appears with "HOLE CARD" printed above.

B. The play symbols and captions for "YOUR CARD" are as follows:

C. The play symbols and captions for "THEIR CARD" are as follows:

D. The play symbols and captions for "HOLE CARD" are as follows:

E. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$20	TWYDOL
$40	FRYDOL
$250	2HUND50
$10,000	TENTHOU

F. A pack-ticket number beginning with 900001 is located in the lower-left portion on the back of the ticket.

G. The retailer validation code verifies instant winners of $1, $2, $3, $5, $10, $15, $40, and $250. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	FTN	=	$15
THR	=	$3	FTY	=	$40
FIV	=	$5	THF	=	$250

H. A prize winner in the "ACE IN THE HOLE" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 3 play symbols in the column labeled "YOUR CARD", the 3 play symbols in the column marked "THEIR CARD" and the 3 prize symbols in the column marked "PRIZE". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR CARD" beats "THEIR CARD" in either "HAND 1", "HAND 2", or "HAND 3", the player wins the prize shown in the corresponding "PRIZE" box. If an "Ace" appears in the "HOLE CARD", the player wins the amounts of all 3 "PRIZE" boxes. There may be 3 winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1 + $1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1 + $1 + $1	=	$3 (three dollars) or
$5	=	$5 (five dollars) or
$1 + $2 + $2	=	$5 (five dollars) or
$5 + $5	=	$10 (ten dollars) or
$5 + $5 + $5	=	$15 (fifteen dollars) or
$20 + $20	=	$40 (forty dollars) or
$40	=	$40 (forty dollars) or
$250	=	$250 (two hundred fifty dollars) or
$10,000	=	$10,000 (ten thousand dollars)

Historical Note

Adopted effective November 15, 1984 (Supp. 84-6). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-321 adopted effective March 10, 1989 (Supp. 89-1). Section expired effective March 10, 1990 (Supp. 90-1). R19-3-321 recodified from R4-37-321 (Supp. 95-1). New Section adopted effective July 19, 1996 (Supp. 96-3).

R19-3-322. "Power Play"

A. In the latex play area located on the right side of the ticket, 3 play symbols appear in a vertical row with "YOUR SCORE" printed above, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", or "10" with confirming captions. Three play symbols appear in a vertical row with "THEIR SCORE" printed above, and are 1 of the following: "0", "1", "2", "3", "4", "5", "6", "7", "8", or "9" with confirming captions.

B. The play symbol captions correspond with and verify the play symbols as follows:

Play SymbolCaption
0 ZRO
1 ONE
2 TWO
3 THR
4 FOR
5 FIV
6 SIX
7 SVN
8 EGT
9 NIN
10TEN

C. Three prize symbols appear in a vertical row with "PRIZE" above and are 1 of the following: "$1", "$2", "$5", or "$500" with confirming captions.

D. Prize symbols and captions for "PRIZE" correspond with and verify each of the prize symbols as follows:

Play SymbolCaption
$1ONEDOL
$2TWODOL
$5FIVEDOL
$500FIVHUND

E. One prize symbol appears directly under the play area with "BONUS BOX" printed above and are 1 of the following: "T-SHIRT" or "TRY AGAIN". The prize symbols and captions for "BONUS BOX" correspond with and verify each of the prize symbols as follows:

Prize SymbolCaption
T-SHIRTT-SHIRT
TRY AGAINTRY AGAIN

F. A pack-ticket number beginning with 000001 is located in the lower-left portion on the back of the ticket.

G. The retailer validation code verifies instant winners of "$1", "$2", "$3", "$5", "$8", "$9", "$10", "$15", and "$500". The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE=	$1	EGT=$8
TWO=	$2	NIN=$9
THR=	$3	TEN=$10
FIV =	$5	FTN=$15

FHN=$500

H. A prize winner in the "POWER PLAY" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as "GAME 1", the 2 play symbols and prize symbol identified as "GAME 2", and the 2 play symbols and prize symbol identified as "GAME 3". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR SCORE" beats "THEIR SCORE" in either "GAME 1", "GAME 2", or "GAME 3", the player wins the prize shown in the corresponding "PRIZE" box. There may be 3 winning games on a ticket. The prizes are as follows:

$1 = $1 (one dollar) or
$1 + $1= $2 (two dollars) or
$2 = $2 (two dollars) or
$1 + $1 + $1=$3 (three dollars) or
$1 + $2= $3 (three dollars) or
$5 = $5 (five dollars) or
$1 + $2 + $2=$5 (five dollars) or
$1 + $2 + $5=$8 (eight dollars) or
$2 + $2 + $5=$9 (nine dollars) or
$5 + $5= $10 (ten dollars) or
$5 + $5 + $5=$15 (fifteen dollars) or
$500= $500 (five hundred dollars) or
$500 + $500=$1,000 (one-thousand dollars) or
$500 + $500 + $500=$1,500 (one-thousand five hundred dollars)

BONUS BOX PRIZES:
T-SHIRT=NHL t-shirt
TRY AGAIN=non-winning ticket

Historical Note

Adopted effective March 7, 1985 (Supp. 85-2). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-222 adopted effective May 3, 1989 (Supp. 89-2). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-222 recodified from R4-37-222 (Supp. 95-1). New Section adopted effective August 27, 1996 (Supp. 96-3).

R19-3-323. "Break the Bank"

A. Six play symbols, which are contiguous to each other in 2 rows, appear under the latex in the play area located on the right side on the front of the ticket and are 1 of the following: $1, $2, $5, $10, $20, $50, $100, or $1,000 with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$50	FTYDOL
$100	ONEHUND
$1,000	ONETHOU

B. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $50, and $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TWY	=	$20
TWO	=	$2	FFY	=	$50
FIV	=	$5	ONH	=	$100
TEN	=	$10			

C. A pack ticket number beginning with "100001" is located in the lower-left portion on the back of the ticket.

D. A prize winner in the "Break the Bank" instant game is determined by removing the latex from the play area on the front of the ticket to determine the play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the ticket owner matches 3 identical play symbols, the player wins that amount. The prizes are as follows:

Match three:	$1	=	$1 (one dollar) or
Match three:	$2	=	$2 (two dollars) or
Match three:	$5	=	$5 (five dollars) or
Match three:	$10	=	$10 (ten dollars) or
Match three:	$20	=	$20 (twenty dollars) or
Match three:	$50	=	$50 (fifty dollars) or
Match three:	$100	=	$100 (one hundred dollars) or
Match three:	$1,000	=	$1,000 (one-thousand dollars)

Historical Note

Adopted effective May 1, 1985 (Supp. 85-3). Repealed effective March 6, 1986 (Supp. 86-2). New Section R4-37-323 adopted and renumbered as R4-37-305 effected November 1, 1989 (Supp. 89-4). New Section R4-37-323 adopted effective March 25, 1991 (Supp. 91-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-323 recodified from R4-37-323 (Supp. 95-1). New Section adopted effective October 2, 1996 (Supp. 96-4).

R19-3-324. "Beat the Dealer"

A. Five play symbols in 2 horizontal rows appear under the latex in the play area located on the lower center portion of the ticket with "YOUR CARDS" printed above, and are 1 of the following play symbols and corresponding captions:

B. One winning number symbol appears on the upper-right portion of the play area with "DEALER'S CARD" printed above and is 1 of the following play symbols and corresponding captions:

C. A pack-ticket number beginning with "200001" is located in the lower-left portion on the back of the ticket.

D. The word "PRIZE" appears under each play symbol labeled "YOUR CARDS". Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$4	FORDOL
$5	FIVEDOL
$20	TWYDOL
$50	FTYDOL
$100	ONEHUND
$500	FIVHUND
$1,000	ONETHOU
$21,000	TWNTHOU

E. The retailer validation code verifies instant winners of $2, $4, $10, $20, $50, $100, $250, or $500. The retailer validation code which corresponds with and verifies each of these winners is as follows:

$2	=	TWO	$50	=	FFY
$4	=	FOR	$100	=	ONH

$10	=	TEN	$250	=	THF
$20	=	TWY	$500	=	FHN

F. A prize winner in the "Beat the Dealer" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 10 play symbols under the latex labeled "YOUR CARDS", and the play symbol under the latex labeled "DEALER's CARD". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols are not usable or playable as such. If the player's "YOUR CARDS" play symbol beats the "DEALER'S CARD" play symbol, the player wins the prize amount directly under the winning play symbol. If a " " appears in 1 of the "YOUR CARDS" play symbols, the player automatically wins double the amount indicated in the corresponding "PRIZE" box. There may be 10 chances to win on a ticket. The prizes are as follows:

$2	=	$2 (two dollars) or
$1 +	=	$2 (two dollars) or
$1 + $1 +$1 +$1	=	$4 (four dollars) or
$2 +	=	$4 (four dollars) or
$2 + $2 + $2 + $2 + $2	=	$10 (ten dollars) or
$1 + $1 + $1 + $1 + $1 + $1 + $1 + $1 + $1 + $1	=	$10 (ten dollars) or
$2 + + $1 + $1 + $1 + $1 + $1 + $1	=	$10 (ten dollars) or
$5 +	=	$10 (ten dollars) or
$2 + $2 + $2 + $2 + $2 + $2 + $2 + $2 + $2 + $2 or	=	$20 (twenty dollars)
$5 + + $2 + $2 + $2 + $2 + $2 or	=	$20 (twenty dollars)
$4 + $4 + $4 + $4 + $4 or	=	$20 (twenty dollars)
$5 + $5 + $5 + $5 + $5 + $5+ $5 + $5 + $5 + $5	=	$50 (fifty dollars) or
$20 + $20 + $20 + $20 + $20	=	$100 (one hundred dollars) or
$50 + $50	=	$100 (one hundred dollars) or
$50 +	=	$100 (one hundred dollars) or
$50 + $50 + $50 + $50 + $50	=	$250 (two-hundred fifty dollars) or
$50 + $50 + $50 + $50 + $50 + $50 + $50 + $50 + $50 + $50	=	$500 (five hundred dollars) or
$100 + $100 + $100 + $100 + $100	=	$500 (five hundred dollars) or
$500	=	$500 (five hundred dollars) or
$500 + $500	=	$1,000 (one-thousand dollars) or
$500 +	=	$1,000 (one-thousand dollars) or
$1,000	=	$1,000 (one-thousand dollars) or
$21,000	=	$21,000 (twenty-one thousand dollars)

Historical Note

Adopted effective June 12, 1985 (Supp. 85-3). Repealed effective May 2, 1986 (Supp. 86-3). New Section adopted effective May 2, 1991 (Supp. 91-2). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-324 recodified from R4-37-324 (Supp. 95-1). New Section adopted effective October 2, 1996 (Supp. 96-4).

R19-3-325. "Lucky Pair"

A. Four pairs of 2 play symbols, which are in a horizontal row, appear under the latex in the play area located on the lower portion of the ticket. The 1st pair has "HAND 1" printed above, the 2nd pair has "HAND 2" printed above, the 3rd pair has "HAND 3" printed above, and the 4th pair has "HAND 4" printed above. Play symbol captions correspond with and verify each of the play symbols as follows:

B. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	**Caption**
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$5,000	FIVTHOU

C. A pack-ticket number beginning with 300001 is located in the lower-left portion on the back of the ticket.

D. The retailer validation code verifies instant winners of $1, $2, $4, $5, $10, $20, $50, and $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FOR	=	$4	FFY	=	$50
FIV	=	$5	ONH	=	$100

E. A prize winner in the "LUCKY PAIRS" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols in "HAND 1", the 2 play symbols in "HAND 2", the 2 play symbols in "HAND 3", and the 2 play symbols in "HAND 4". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket holder uncovers 2 matching play symbols in either "HAND 1", "HAND 2", "HAND 3", or "HAND 4", the player wins the corresponding prize shown. There may be 4 winning hands on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1 + $1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1 + $1 + $1 + $1	=	$4 (four dollars) or
$1 + $2 + $2	=	$5 (five dollars) or
$3 + $2	=	$5 (five dollars) or

$5 + $5	=	$10 (ten dollars) or
$5 + $2 + $2 + $1	=	$10 (ten dollars) or
$10 + $5 + $5	=	$20 (twenty dollars) or
$10 + $5 + $3 + $2	=	$20 (twenty dollars) or
$50	=	$50 (fifty dollars) or
$100	=	$100 (one hundred dollars) or
$5,000	=	$5,000 (five thousand dollars)

Historical Note

Adopted effective September 4, 1985 (Supp. 85-5). Repealed effective August 28, 1986 (Supp. 86-4). New Section adopted effective July 3, 1991 (Supp. 91-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-325 recodified from R4-37-325 (Supp. 95-1). New Section adopted October 2, 1996 (Supp. 96-4).

R19-3-326. "Win for Life"

A. In the latex play area located on the lower half of the ticket, 2 horizontal rows of 5 play symbols appear with "YOUR NUMBERS" printed above, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", "15", "16", "17", "18", "19", or "20" with confirming captions. Two play symbols appear on the upper-right front of the latex area with "WINNING NUMBERS" printed above, and are 1 of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", "15", "16", "17", "18", "19", or "20" with confirming captions.

B. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN
11	ELV
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY

C. Prize symbol captions correspond with and verify each of the prize symbols and are 1 of the following: "$1", "$2", "$3","$4", "$5", "$10", "$20", "$50", "$1,000", or "LIFE" with confirming captions. The confirming captions are as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$4	FORDOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$50	FTYDOL
$1,000	ONETHOU
LIFE	$1,000/MNTH

D. A pack-ticket number beginning with 400001 is located in the lower-left portion on the back of the ticket.

E. The retailer validation code verifies instant winners of a "$2", "$5", "$10", "$50", or "$100" ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

TWO	=	$2	FFY =	$50
FIV	=	$5	ONH=	$100
TEN	=	$10		

F. A prize winner in the "WIN FOR LIFE" instant game is determined by removing the latex from the play area on the front of the ticket to reveal the play symbols and prize symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any potion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If any play symbol under "YOUR NUMBERS" matches either play symbol under "WINNING NUMBERS", the player wins the prize shown directly under the play symbol. There are 20 chances to win 10 times on a ticket. The prizes are as follows:

$1 + $1=$2 (two dollars) or
$2= $2 (two dollars) or
$5= $5 (five dollars) or
$1 + $1 + $1 + $2=$5 (five dollars) or
$1 + $2 + $2=$5 (five dollars) or
$1 + $4=$5 (five dollars) or
$10= $10 (ten dollars) or
$1 + $2 + $2 + $5=$10 (ten dollars) or
$2 +$3 + $5=$10 (ten dollars) or
$5 + $5=$10 (ten dollars) or
$50= $50 (fifty dollars) or
$10 + $10 +$10 + $20=$50 (fifty dollars) or
$10 + $20 + $20=$50 (fifty dollars) or
$50 + $50=$100 (one hundred dollars) or
$1,000=$1,000 (one thousand dollars) or
LIFE= $1,000 (one thousand dollars/month/life (paid annually) minimum of 20 years, maximum of 60 years)

G. If the winning ticket was purchased by a group of players, the group shall designate 1 of the players to sign the ticket. The "LIFE" prize will be funded by a single annuity policy. The number of payments shall be determined by the life of the person whose signature appears on the winning ticket. The Arizona State Lottery Commission shall make payment only to the person whose signature appears on the winning ticket, except as provided in A.R.S. § 5-513.

Historical Note

Adopted effective October 28, 1985 (Supp. 85-5). Repealed effective January 6, 1987 (Supp. 87-1). Adopted effective July 3, 1991 (Supp. 91-3). New Section adopted effective July 3, 1991 (Supp. 91-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-326 recodified from R4-37-326 (Supp. 95-1). New Section adopted effective October 25, 1996 (Supp. 96-4).

R19-3-327. Frosty the Doughman

A. Six play symbols appear under the latex in the play area located on the right side on the front of the ticket and are 1 of the following: $1, $2, $5, $10, $20, $50, or $100 with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL

$20	TWYDOL
$50	FTYDOL
$100	ONEHUND

B. A pack-ticket number beginning with 500001 is located in the lower-left side on the back of the ticket.

C. The retailer validation code verifies instant winners of a $1, $2, $5, $10, $20, $50, or $100 winning ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TWY	=	$20
TWO	=	$2	FFY	=	$50
FIV	=	$5	ONH	=	$100
TEN	=	$10			

D. A prize winner in the "FROSTY THE DOUGHMAN" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 6 play symbols. Neither the retailer validation code (or any portion thereof) or the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player matches 3 like play symbols, the player wins that prize. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$50	=	$50 (fifty dollars) or
Match 3	$100	=	$100 (one hundred dollars)

Historical Note

Adopted effective January 9, 1986 (Supp. 86-1). Repealed effective January 6, 1987 (Supp. 87-1). New Section adopted effective July 3, 1991 (Supp. 91-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-327 recodified from R4-37-327 (Supp. 95-1). New Section adopted effective October 24, 1996 (Supp. 96-4).

R19-3-328. "Lucky Duck"

A. Nine play symbols which are contiguous to each other in 3 rows appear under the latex in the play area located on the right side on the front of the ticket and are 1 of the following: $1, $2, $5, $10, $20, $100, $1,000, or with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbols	**Caption**
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$100	ONEHUND
$1,000	ONETHOU
	DOUBLE

B. A pack-ticket number beginning with 600001 is located in the lower-left side on the back of the ticket.

C. The retailer validation code verifies instant winners of a $1, $2, $4, $5, $10, $20, or $100 winning ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FOR	=	$4	ONH	=	$100
FIV	=	$5			

D. A prize winner in the "LUCKY DUCK" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 9 play symbols. Neither the retailer validation code (or any portion thereof), or the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols are are not usable or playable as such. If the ticket owner matches 3 like play symbols, he or she wins that prize. If a player uncovers a , the prize is automatically doubled. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$1 +	=	$2 (two dollars) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$2 +	=	$4 (four dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$5 +	=	$10 (ten dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$10 +	=	$20 (twenty dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$1,000	=	$1,000 (one thousand dollars)

Historical Note

Adopted effective October 28, 1985 (Supp. 85-5). Repealed effective January 6, 1987 (Supp. 87-1). Adopted effective July 3, 1991 (Supp. 91-3). New Section adopted effective September 3, 1991 (Supp. 91-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-328 recodified from R4-37-328 (Supp. 95-1). New Section adopted effective October 24, 1996 (Supp. 96-4).

R19-3-329. "Bonus Bingo"

A. In the latex play area located on the right side of the ticket, 4 play areas called "PLAYER'S CARDS" appear and are identified as "CARD 1", "CARD 2", "CARD 3", and "CARD 4". Within each "CARD", 5 play symbols appear in a vertical row with "B" above and are 1 of the following, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, or 15. Five play symbols appear in a vertical row with "I" printed above, and are 1 of the following: 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, or 30. Five play symbols appear in a vertical row with "N" printed above, and are 1 of the following: 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, or 45. The 3rd play spot in column "N" will always be the word "FREE". Five play symbols appear in a vertical row with "G" printed above, are are 1 of the following: 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, or 60. Five play symbols appear in a vertical row with "O" printed above, and are 1 of the following: 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, or 75.

B. In the latex area located on the left side of the ticket is a play area identified as "CALLER'S CARD". Twenty-four play spots appear in 3 columns of 8 and are 1 of the following: B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, I16, I17, I18, I19, I20, I21, I22, I23, I24, I25, I26, I27, I28, I29, I30, N31, N32, N33, N34, N35, N36, N37, N38, N39, N40, N41, N42, N43, N44, N45, G46, G47, G48, G49, G50, G51, G52, G53, G54, G55, G56, G57, G58, G59, G60, O61, O62, O63, O64, O65, O66, O67, O68, O69, O70, O71, O72, O73, O74, and O75.

C. Two rows of 3 numbers appear below the "CALLER's CARD" play spots with the words "BONUS NUMBERS" printed on the latex covering and are 1 of the following: B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, I16, I17, I18, I19, I20, I21, I22, I23, I24, I25, I26, I27, I28, I29, I30, N31, N32, N33, N34, N35, N36, N37, N38, N39, N40, N41, N42, N43, N44, N45, G46, G47, G48, G49, G50, G51, G52, G53, G54, G55, G56, G57, G58, G59, G60, O61, O62, O63, O64, O65, O66, O67, O68, O69, O70, O71, O72, O73, O74, and O75.

D. A pack-ticket number beginning with 700001 is located on the lower-left area on the back of the ticket.

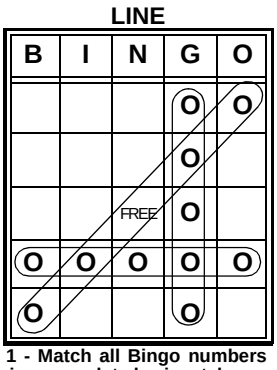
E. The retailer validation code verifies instant winners of a $2, $3, $5, $10, $25, $30, $40, $50, $150, $200, or $250 ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

$2= TWO$40=FTY
$3= THR$50=FFY
$5= FIV$150=OFY
$10=TEN$200=TWH
$25=TWF$250=THF
$30=TRY

F. A prize winner in the "BONUS BINGO" instant game is determined by removing the latex from the "CALLER'S CARD" play area plus the 6 "BONUS NUMBERS" on the front of the ticket to determine the play symbols. The player matches the play symbols on the "CALLER'S CARD" and "BONUS NUMBERS" area to the play symbols on the 4 "PLAYER'S CARDS". Neither the retailer validation code (or any portion thereof), nor the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player matches 5 consecutive play symbols on 1 of the 4 "PLAYER'S CARDS" in any horizontal, vertical, or diagonal line as shown in illustration number 1 on the back of each "BONUS BINGO" instant game and Exhibit A, matches play symbols in all 4 corners in 1 of the 4 "PLAYER'S CARDS" as shown in illustration number 2 on the back of each "BONUS BINGO" card and Exhibit B, or matches 5 consecutive play symbols in both diagonals forming an "X" in any 1 of the 4 cards as shown in illustration number 3 on the back of each "BONUS BINGO" instant game and Exhibit C, the player wins the prize amount indicated on the appropriate winning "PLAYER'S CARD." Players can win up to 4 times on a ticket. The prizes are as follows:

horizontal, vertical, or diagonal line, Card 1	=	$2 (two dollars) or
horizontal, vertical, or diagonal line, Card 2	=	$3 (three dollars) or
horizontal, vertical, or diagonal line, Card 1 plus Card 2	=	$5 (five dollars) or
horizontal, vertical, or diagonal line, Card 3	=	$10 (ten dollars) or
horizontal, vertical, or diagonal line, Card 4	=	$25 (twenty-five dollars) or
horizontal, vertical, or diagonal line, on Card 1, plus Card 2, plus Card 4	=	$30 (thirty dollars) or
horizontal, vertical, or diagonal line on Card 1, plus Card 2, plus Card 3, plus Card 4	=	$40 (forty dollars) or
4 corners, Card 2	=	$50 (fifty dollars) or
both diagonal lines ("X"), Card 1	=	$150 (one hundred fifty dollars) or
4 corners on Card 1, plus 4 corners on Card 3, plus a horizontal, vertical, or diagonal line on Card 4	=	$200 (two hundred dollars) or
4 corners on Card 2, plus both diagonal lines ("X") on Card 1	=	$200 (two hundred dollars) or
4 corners on Card 4	=	$250 (two hundred fifty dollars) or
4 corners on Card 1, plus Card 2, plus Card 3, plus a horizontal, vertical, or diagonal line on Card 4	=	$250 (two hundred fifty dollars) or
both diagonal lines ("X") on Card 2	=	$250 (two hundred fifty dollars) or
both diagonal lines ("X") on Card 3	=	$1,000 (one thousand dollars or)
both diagonal lines ("X") on Card 4	=	$10,000 (ten thousand) dollars

Exhibit A. Line



1 - Match all Bingo numbers in a complete horizontal, vertical, or diagonal line to win $2 to $25.

Exhibit B. 4 Corners

4 CORNERS

B	I	N	G	O
O				O
		FREE		
O				O

2 - Match all Bingo numbers in all 4 corners to win $25 to $250.

Exhibit C. "X"

"X"

B	I	N	G	O
O				O
	O		O	
		FREE		
	O		O	
O				O

3 - Match all Bingo numbers that make a complete "X" (8 numbers and "FREE" space) to win $150 to $10,000.

Historical Note
Adopted effective January 9, 1986 (Supp. 86-1). Repealed effective January 6, 1987 (Supp. 87-1). New Section adopted effective September 3, 1991 (Supp. 91-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-329 recodified from R4-37-329 (Supp. 95-1). New Section adopted November 22, 1996 (Supp. 96-4).

R19-3-330. Repealed

Historical Note
Adopted effective November 21, 1991 (Supp. 91-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-330 recodified from R4-37-330 (Supp. 95-1).

R19-3-331. Repealed

Historical Note
Adopted effective December 20, 1991 (Supp. 91-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-331 recodified from R4-37-331 (Supp. 95-1).

R19-3-332. Repealed

Historical Note
Adopted effective March 13, 1992 (Supp. 92-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-332 recodified from R4-37-332 (Supp. 95-1).

R19-3-333. Repealed

Historical Note
Adopted effective July 10, 1992 (Supp. 92-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-333 recodified from R4-37-333 (Supp. 95-1).

R19-3-334. Repealed

Historical Note
Adopted effective July 10, 1992 (Supp. 92-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-334 recodified from R4-37-334 (Supp. 95-1).

R19-3-335. Repealed

Historical Note
Adopted effective July 10, 1992 (Supp. 92-3). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-335 recodified from R4-37-335 (Supp. 95-1).

R19-3-336. Repealed

Historical Note
Adopted effective December 18, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-336 recodified from R4-37-336 (Supp. 95-1).

R19-3-337. Repealed

Historical Note
Adopted effective December 18, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-337 recodified from R4-37-337 (Supp. 95-1).

R19-3-338. Repealed

Historical Note
Adopted effective December 18, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-338 recodified from R4-37-338 (Supp. 95-1).

R19-3-339. Repealed

Historical Note
Adopted effective December 23, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-339 recodified from R4-37-339 (Supp. 95-1).

R19-3-340. Repealed

Historical Note
Adopted effective December 23, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-340 recodified from R4-37-340 (Supp. 95-1).

R19-3-341. Repealed

Historical Note
Adopted effective December 23, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-341 recodified from R4-37-341 (Supp. 95-1).

R19-3-342. Repealed

Historical Note
Adopted effective December 23, 1992 (Supp. 92-4). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-342 recodified from R4-37-342 (Supp. 95-1).

R19-3-343. Repealed

Historical Note
Adopted effective February 3, 1993 (Supp. 93-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-343 recodified from R4-37-343 (Supp. 95-1).

R19-3-344. Repealed

Historical Note
Adopted effective February 3, 1993 (Supp. 93-1). Repealed effective November 28, 1994 (Supp. 94-4). R19-3-344 recodified from R4-37-344 (Supp. 95-1).

R19-3-345. Repealed

Historical Note
Adopted effective March 4, 1993 (Supp. 93-1). R19-3-345 recodified from R4-37-345 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-346. Repealed

Historical Note
Adopted effective March 4, 1993 (Supp. 93-1). R19-3-346 recodified from R4-37-346 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2)

R19-3-347. Repealed

Historical Note
Adopted effective March 4, 1993 (Supp. 93-1). R19-3-347 recodified from R4-37-347 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-348. Repealed

Historical Note
Adopted effective March 4, 1993 (Supp. 93-1). R19-3-348 recodified from R4-37-348 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-349. Repealed

Historical Note
Adopted effective April 20, 1993 (Supp. 93-2). R19-3-349 recodified from R4-37-349 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-350. Reserved

R19-3-351. Repealed

Historical Note
Adopted effective July 30, 1993 (Supp. 93-3). R19-3-351 recodified from R4-37-351 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-352. Repealed

Historical Note
Adopted effective July 30, 1993 (Supp. 93-3). R19-3-352 recodified from R4-37-352 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-353. Repealed

Historical Note
Adopted effective July 30, 1993 (Supp. 93-3). R19-3-353 recodified from R4-37-353 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-354. Repealed

Historical Note
Adopted effective July 30, 1993 (Supp. 93-3). R19-3-354 recodified from R4-37-354 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-355. Repealed

Historical Note
Adopted effective October 1, 1993 (Supp. 93-4). R19-3-355 recodified from R4-37-355 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-356. Repealed

Historical Note
Adopted effective October 1, 1993 (Supp. 93-4). R19-3-356 recodified from R4-37-356 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-357. Repealed

Historical Note
Adopted effective December 2, 1993 (Supp. 93-4). R19-3-357 recodified from R4-37-357 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-358. Repealed

Historical Note
Adopted effective December 2, 1993 (Supp. 93-4). R19-3-358 recodified from R4-37-358 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-359. Repealed

Historical Note
Adopted effective December 2, 1993 (Supp. 93-4). R19-3-359 recodified from R4-37-359 (Supp. 95-1). Repealed effective April 18, 1997 (Supp. 97-2).

R19-3-360. Repealed

Historical Note
Adopted effective December 2, 1993 (Supp. 93-4). R19-3-360 recodified from R4-37-360 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-361. "Top 10"

A. Under the latex in the play area located on the right side of the ticket, ten play symbols appear in two vertical rows of five with "YOUR NUMBER" printed above and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10" "11", "12", "13", "14", "15", "16", "17", "18", or "19" with confirming captions. Ten prize symbols appear in two vertical rows of five each with "PRIZE $" printed above and are one of the following: "FREE", "$1.^{00}", "$2.^{00}", "$4.^{00}", "$5.^{00}", "$20.^{00}", "$50.^{00}", "$100", "$500" or "$1,000" with confirming captions. One winning number symbol appears on the upper right front of the ticket with "WINNING NUMBER" printed above and is one of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10" "11", "12", "13", "14", "15", "16", "17", "18", or "19" with confirming captions.

B. A pack-ticket number beginning with 500001 is located in the lower left side on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN
11	ELV
12	TWL
13	TRN
14	FRN
15	FTN

16	SXN
17	STN
18	ETN
19	NTN

D. Winning number symbol captions correspond with and verify each of the winning number symbols as follows:

Winning # Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN
11	ELV
12	TWL
13	TRN
14	FRN
15	FTN
16	SXN
17	STN
18	ETN
19	NTN

E. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
FREE	TICKET
$1.^{00}	ONE DOL
$2.^{00}	TWO DOL
$4.^{00}	FOUR DOL
$5.^{00}	FIVE DOL
$20.^{00}	TWY DOL
$50.^{00}	FTY DOL
$100	ONE HUND
$500	FIV HUND
$1,000	ONE THOU

F. The retailer validation code verifies instant winners of a TICKET, $2.^{00}, $4.^{00}, $5.^{00}, $10.^{00}, or $20.^{00}. The retailer validation code which corresponds with and verifies each of these winners is as follows:

TIC	=	FREE TICKET
TWO	=	$2
FOR	=	$4
FIV	=	$5
TEN	=	$10
TWY	=	$20

G. "Top 10" game tickets shall sell for no more than $2.00.

H. A prize winner in the "TOP 10" instant game is determined by removing the latex from the play area on the front of the ticket to determine the ten play symbols, the ten prize symbols, and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner's "YOUR NUMBER" symbol matches the "WINNING NUMBER" symbol, he or she wins the prize directly to the right of the play symbol. There may be ten winning matches on a ticket. The prizes are as follows:

FREE	=	FREE TICKET or
$1.^{00} x 2	=	$2 (two dollars) or
$2.^{00}	=	$2 (two dollars) or
$1.^{00} x 4	=	$4 (four dollars) or
$2.^{00} x 2	=	$4 (four dollars) or
$4.^{00}	=	$4 (four dollars) or
$5.^{00}	=	$5 (five dollars) or
$1.^{00} x 5	=	$5 (five dollars) or
$1.^{00} x 10	=	$10 (ten dollars) or
$2.^{00} x 5	=	$10 (ten dollars) or
$5.^{00} x 2	=	$10 (ten dollars) or
$2.^{00} x 10	=	$20 (twenty dollars) or
$4.^{00} x 5	=	$20 (twenty dollars) or
$5.^{00} x 10	=	$50 (fifty dollars) or
$20.^{00} x 5	=	$100 (one hundred dollars) or
$50.^{00} x 2	=	$100 (one hundred dollars) or
$50.^{00} x 5	=	$250 (two hundred fifty dollars) or
$50.^{00} x 10	=	$500 (five hundred dollars) or
$100 x 5	=	$500 (five hundred dollars) or
$500	=	$500 (five hundred dollars) or
$500 x 2	=	$1,000 (one thousand dollars) or
$1,000	=	$1,000 (one thousand dollars) or
$1,000 x 10	=	$10,000 (ten thousand dollars).

Historical Note

Adopted effective December 2, 1993 (Supp. 93-4). R19-3-361 recodified from R4-37-361 (Supp. 95-1).

R19-3-362. Repealed

Historical Note

Adopted effective January 6, 1994 (Supp. 94-1). R19-3-362 recodified from R4-37-362 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-363. Repealed

Historical Note

Adopted effective January 6, 1994 (Supp. 94-1). R19-3-363 recodified from R4-37-363 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-364. Repealed

Historical Note

Adopted effective January 6, 1994 (Supp. 94-1). R19-3-364 recodified from R4-37-364 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-365. Repealed

Historical Note

Adopted effective January 6, 1994 (Supp. 94-1). R19-3-365 recodified from R4-37-365 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-366. Repealed

Historical Note

Adopted effective May 23, 1994 (Supp. 94-2). R19-3-366 recodified from R4-37-366 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-367. Repealed

Historical Note

Adopted effective May 23, 1994 (Supp. 94-2). R19-3-367 recodified from R4-37-367 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-368. Repealed

Historical Note

Adopted effective May 23, 1994 (Supp. 94-2). R19-3-368 recodified from R4-37-368 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-369. "Cash Giveaway"

A. Two play symbols, which are contiguous to each other, appear under the latex in the play area located on the lower front of the ticket with "YOUR $" printed above and are one of the following: "1", "2," "3," "4," "5," "6," "7," "8," or "9" with confirming captions. One winning number symbol appears on the upper right front of the ticket with "KEY" printed above and is one of the following: "1", "2," "3," "4," "5," "6," "7," "8," or "9" with confirming captions.

B. A pack-ticket number beginning with 900001 is located in the lower center portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN

D. Winning number symbol captions correspond with and verify each of the winning number symbols as follows:

KEY Winning # Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN

E. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1.^{00}	ONE DOL
$2.^{00}	TWO DOL
$4.^{00}	FOR DOL
$50.^{00}	FTY DOL
$100	ONE HUN

F. The retailer validation code verifies instant winners of a $1.^{00}, $2.^{00}, $4.^{00}, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1
TWO	=	$2
FOR	=	$4
ONH	=	$100

G. A prize winner in the "CASH GIVEAWAY" instant game is determined by removing the latex from the play area on the front of the ticket to determine the two play symbols and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner's "YOUR $" symbol matches the "KEY" winning number symbol, he or she wins the prize directly under the play symbol. There may be two winning matches on a ticket. The prizes are as follows:

$1.^{00}	$1 (one dollar) or
$2.^{00}	$2 (two dollars) or
$1.^{00} x 2	$2 (two dollars) or
$2.^{00} x 2	$4 (four dollars) or
$4.^{00}	$4 (four dollars) or
$50.^{00} x 2	$100 (one hundred dollars) or
$100	$100 (one hundred dollars)

Historical Note

Adopted effective June 10, 1994 (Supp. 94-2). R19-3-369 recodified from R4-37-369 (Supp. 95-1).

R19-3-370. Repealed

Historical Note

Adopted effective June 10, 1994 (Supp. 94-2). R19-3-370 recodified from R4-37-370 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-371. Repealed

Historical Note

Adopted effective June 10, 1994 (Supp. 94-2). R19-3-371 recodified from R4-37-371 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-372. Repealed

Historical Note

Adopted effective July 15, 1994 (Supp. 94-3). R19-3-372 recodified from R4-37-372 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-373. Repealed

Historical Note

Adopted effective July 15, 1994 (Supp. 94-3). R19-3-373 recodified from R4-37-373 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-374. Repealed

Historical Note

Adopted effective July 15, 1994 (Supp. 94-3). R19-3-374 recodified from R4-37-374 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-375. Repealed

Historical Note

Adopted effective September 15, 1994 (Supp. 94-3). R19-3-375 recodified from R4-37-375 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-376. Repealed

Historical Note

Adopted effective September 15, 1994 (Supp. 94-3). R19-3-376 recodified from R4-37-376 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-377. Repealed

Historical Note

Adopted effective October 11, 1994 (Supp. 94-4). R19-3-377 recodified from R4-37-377 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-378. Repealed

Historical Note

Adopted effective October 11, 1994 (Supp. 94-4). R19-3-378 recodified from R4-37-378 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-379. Repealed

Historical Note

Adopted effective November 28, 1994 (Supp. 94-4). R19-3-379 recodified from R4-37-379 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-380. Repealed

Historical Note
Adopted effective November 28, 1994 (Supp. 94-4). R19-3-380 recodified from R4-37-380 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-381. Repealed

Historical Note
Adopted effective December 20, 1994 (Supp. 94-4). R19-3-381 recodified from R4-37-381 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-382. Repealed

Historical Note
Adopted effective January 13, 1995 (Supp. 95-1). R19-3-382 recodified from R4-37-382 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-383. Repealed

Historical Note
Adopted effective January 13, 1995 (Supp. 95-1). R19-3-383 recodified from R4-37-383 (Supp. 95-1). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-384. Repealed

Historical Note
Adopted effective May 11, 1995 (Supp. 95-2). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-385. Repealed

Historical Note
Adopted effective May 11, 1995 (Supp. 95-2). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-386. Repealed

Historical Note
Adopted effective May 11, 1995 (Supp. 95-2). Repealed effective May 13, 1997 (Supp. 97-2).

R19-3-387. "Winning 20"

A. In the latex play area located on the lower half of the ticket, two horizontal rows of five play symbols appear with YOUR NUMBERS printed between the two rows and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", "11", "12", "13", "14", "15", "16", "17", "18", "19", or "20", with confirming captions. Two play symbols appear on the upper right front of the latex area with WINNING NUMBERS printed above and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", "9". "10", "11", "12", "13", "14", "15", "16", "17", "18", "19", or "20" with confirming captions.

B. The play symbol captions correspond with and verify the play

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN
11	ELV
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY

C. Prize symbol captions correspond with and verify each of the prize symbols and are one of the following: "$1.^{00}", "$2.^{00}", "$4.^{00}", "$5.^{00}", "$10.^{00}", "$20.^{00}", "$40.^{00}", "$50.^{00}", "$200", "$400", or "$20,000", with confirming captions. The confirming captions are as follows:

Prize Symbol	Caption
$1.^{00}	ONEDOL
$2.^{00}	TWODOL
$4.^{00}	FOURDOL
$5.^{00}	FIVEDOL
$10.^{00}	TENDOL
$20.^{00}	TWENTY
$40.^{00}	FRYDOL
$50.^{00}	FTYDOL
$200.	TWOHUND
$400.	FORHUND
$20,000	TWYTHOU

D. A pack-ticket number beginning with 700001 is located in the lower left portion on the back of the ticket.

E. The retailer validation code verifies instant winners of a "$2.^{00}", "$4.^{00}", "$5.^{00}", "$10.^{00}", "$20.^{00}", "$40.^{00}", or "$400.", ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

TWO	=	$2
FOR	=	$4
FIV	=	$5
TEN	=	$10
TWY	=	$20
FTY	=	$40
FRH	=	$400

F. A prize winner in the "WINNING 20" instant game is determined by removing the latex from the play area on the front of the ticket to reveal the play symbols and prize symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If any play symbol matches the prize symbol, the player wins the prize shown for that game. There are 20 chances to win ten ways on a ticket. The prizes are as follows:

$1.^{00} + $1.^{00}	= $2 (two dollars) or
$2.^{00}	= $2 (two dollars) or
$1.^{00} + $1.^{00} + $1.^{00} + $1.^{00}	= $4 (four dollars) or
$2.^{00} + $2.^{00}	= $4 (four dollars) or
$4.^{00}	= $4 (four dollars) or
$5.^{00}	= $5 (five dollars) or
$1.^{00} + $4.^{00}	= $5 (five dollars) or
$1.^{00} + $2.^{00} + $2.^{00}	= $5 (five dollars) or
$1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00}	= $5 (five dollars) or
$1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00}	= $10 (ten dollars) or
$5.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00} + $1.^{00}	= $10 (ten dollars) or
$5.^{00} + $5.^{00}	= $10 (ten dollars) or
$10.^{00}	= $10 (ten dollars) or
$2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00} + $2.^{00}	= $20 (twenty dollars) or

$4.00 + $4.00 + $4.00 + $4.00 + $4.00 = $20 (twenty dollars) or
$10.00 + $10.00 = $20 (twenty dollars) or
$20.00 = $20 (twenty dollars) or
$5.00 + $5.00 + $5.00 + $5.00 + $5.00 + $5.00 + $5.00 + $5.00 = $40 (forty dollars) or
$4.00 + $4.00 + $4.00 + $4.00 + $4.00 + $4.00 + $4.00 + $4.00 + $4.00 = $40 (forty dollars) or
$10.00 + $10.00 + $10.00 + $10.00 = $40 (forty dollars) or
$20.00 + $20.00 = $40 (forty dollars) or
$40.00 = $40 (forty dollars) or
$50.00 + $50.00 + $50.00 + $50.00 + $50.00 + $50.00 + $50.00 + $50.00 = $400 (four hundred dollars) or
$200 + $40.00 +$40.00 +$40.00 + $40.00 + $40.00 = $400 (four hundred dollars) or
$200 + $200 = $400 (four hundred dollars) or
$400 = $400 (four hundred dollars) or
$20,000 = $20,000 (twenty thousand dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-2).

R19-3-388. "Blackjack"

A. In the latex play area located on the right side of the ticket, three play symbols appear in a vertical row with YOUR HAND printed above and are one of the following: "13", "14", "15", "16", "17", "18," "19", "20", or "21" with confirming captions. Three play symbols appear in a vertical row with DEALER'S HAND printed above and are one of the following: "12", "13", "14", "15", "16", "17", "18," "19", or "20" with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY
21	TYN

B. Three prize symbols appear in a vertical row with PRIZE BOX printed above and are one of the following: "$1.00", "$2.00", "$5.00", "$1,000", or "$21,000" with confirming captions as follows:

Play Symbol	Caption
$1.00	ONEDOL
$2.00	TWODOL
$5.00	FIVEDOL
$1,000	ONETHOU
$21,000	TYNTHOU

C. A pack-ticket number beginning with 800001 is located in the lower left portion on the back of the ticket.

D. The retailer validation code verifies instant winners of a "$1.00", "$2.00", "$5.00", "$10.00", or "$15.00" ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1
TWO	=	$2
FIV	=	$5
TEN	=	$10
FTN	=	$15

E. A prize winner in the "BLACKJACK" instant game is determined by removing the latex from the play area on the front of the ticket to determine the two play symbols and prize symbol identified as GAME 1, the two play symbols and prize symbol identified as GAME 2, and the two play symbols and prize symbol identified as GAME 3. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof) nor the validation number (or any portion thereof), are play symbols or prize symbols and are not usable or playable as such. If the player's YOUR HAND beats DEALER'S HAND in either GAME 1, GAME 2, OR GAME 3, the player wins the prize shown for that game. There may be three winning games on a ticket. The prizes are as follows:

$1.00 = $1 (one dollar) or
$1.00 + $1.00 = $2 (two dollars) or
$2.00 = $2 (two dollars) or
$5.00 = $5 (five dollars) or
$1.00 + $2.00 + $2.00 = $5 (five dollars) or
$5.00 + $5.00 = $10 (ten dollars) or
$5.00 + $5.00 +$5.00 = $15 (fifteen dollars) or
$1,000 = $1,000 (one thousand dollars) or
$21,000 = $21,000 (twenty-one thousand dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-1).

R19-3-389. "Cash Splash"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "$1.00", "$2.00", "$5.00", "$10.00", "$100.", or "$500," with confirming captions.

B. A pack-ticket number beginning with 900001 is located in the lower-left portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
$1.00	ONEDOL
$2.00	TWODOL
$5.00	FIVEDOL
$10.00	TENDOL
$100.	ONEHUND
$500.	FIVEHUND

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $100, or $500. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1
TWO	=	$2
FIV	=	$5
TEN	=	$10
ONH	=	$100
FHN	=	$500

E. A prize winner in the "CASH SPLASH" instant game is determined by removing the latex from the play area on the front of

the ticket to determine the nine play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches three like play symbols, he or she wins that prize. The prizes are as follows:

Match 3	$1.00	= $1 (one dollar) or
Match 3	$2.00	= $2 (two dollars) or
Match 3	$5.00	= $5 (five dollars) or
Match 3	$10.00	= $10 (ten dollars) or
Match 3	$100	= $100 (one hundred dollars) or
Match 3	$500	= $500 (five hundred dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-2).

R19-3-390. "Fast Money"

A. Four play symbols, which are in a horizontal row, appear under the latex in the play area located on the center right portion of the ticket with "YOUR NUMBER" printed above each play symbol and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", or "9" with confirming captions. One winning number symbol appears on the upper-right portion of the play area with "WINNING NUMBER" printed above and is one of the following: "1", "2", "3", "4", "5", "6", "7", "8", or "9" with confirming captions.

B. A pack-ticket number beginning with 000001 is located in the lower-left portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN

D. Winning number symbol captions correspond with and verify each of the winning number symbols as follows:

Winning Number Symbols	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN

E. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1.00	ONEDOL
$2.00	TWODOL
$3.00	THRDOL
$5.00	FIVEDOL
$10.00	TENDOL
$50.00	FTYDOL
$100	ONEHUND
$2,000	TWOTHOU

F. The retailer validation code verifies instant winners of $1.00, $2.00, $5.00, $10.00, $20.00, $50.00, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FFY	=	$50
			ONH	=	$100

G. A prize winner in the "FAST MONEY" instant game is determined by removing the latex from the play area on the front of the ticket to determine the four play symbols and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR NUMBER" symbol matches the "WINNING NUMBER" symbol, the player wins the prize amount directly under the play symbol. There may be four ways to win on a ticket. The prizes are as follows:

$1.00	= $1 (one dollar) or
$2.00	= $2 (two dollars) or
$2.00 + $2.00 + $1.00	= $5 (five dollars) or
$3.00 + $2.00	= $5 (five dollars) or
$5.00 + $5.00	= $10 (ten dollars) or
$5.00 +$2.00 + $2.00 + $1.00	= $10 (ten dollars) or
$5.00 + $5.00 + $10.00	= $20 (twenty dollars) or
$10.00 + $5.00 + $3.00 + $2.00	= $20 (twenty dollars) or
$50.00	= $50 (fifty dollars) or
$100.00	= $100 (one hundred dollars) or
$2,000	= $2,000 (two-thousand dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-2).

R19-3-391. "3's for the Dough"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "1", "2", "3", "4", "5", "6", "7", "8", or "9" with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
1	ONE
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN

B. A pack-ticket number beginning with 100001 is located in the lower-left portion on the back of the ticket.

C. The retailer validation code verifies instant winners of $1.00, $2.00, $3.00, $13.00, $33.00, or $333. The retailer validation code which corresponds with and verifies each of these winners is as follows:

$1	=	ONE	$13	=	THN
$2	=	TWO	$33	=	TRR
$3	=	THR	$333	=	THT

D. A prize winner in the "3's FOR THE DOUGH" instant game is determined by removing the latex from the play area on the front of the ticket to determine the nine play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player has three "3" play

symbols in any one row, column, or the upper-left to lower-right diagonal, he or she wins the prize indicated. A player may win only one time on a ticket. The prizes are as follows:

Right Column	= $1 (one dollar) or
Center Column	= $2 (two dollars) or
Left Column	= $3 (three dollars) or
Top Row	= $13 (thirteen dollars) or
Center Row	= $33 (thirty-three dollars) or
Bottom Row	= $333 (three hundred thirty-three dollars) or
Upper-left to lower-right diagonal	= $3,333 (three thousand three hundred thirty-three dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-2).

R19-3-392. "Double Dice"

A. In the latex play area located on the right side of the ticket, three play symbols appear in a vertical row with YOUR ROLL printed above and are one of the following: "3", "4", "5", "6", "7", "8", "9", "10", "11", or "12" with confirming captions. Three play symbols appear in a vertical row with HOUSE ROLL printed above and are one of the following: "2", "3", "4", "5", "6", "7", "8", "9", "10", or "11" with confirming captions. The play symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
2	TWO
3	THR
4	FOR
5	FIV
6	SIX
7	SVN
8	EGT
9	NIN
10	TEN
11	ELV
12	TLV

B. Three prize symbols appear in a vertical row with PRIZE printed above and are one of the following: "$1.00", "$2.00", "$5.00", "$10.00", or "$500" with confirming captions as follows:

Symbols	Caption
$1.00	ONEDOL
$2.00	TWODOL
$5.00	FIVEDOL
$10.00	TENDOL
$500.	FIVHUND

C. A pack-ticket number beginning with 200001 is located in the lower left portion on the back of the ticket.

D. The retailer validation code verifies instant winners of a $1.00, $2.00, $5.00, $10.00, $20.00 or $500 ticket. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FHN	=	$500

E. Three play symbols appear in a vertical row with BONUS BUCKS printed above and are one of the following: "$$", " ", " ". " ", " ", or " " with confirming captions:

Symbol	Caption
$$	DBLE
	BELL
	CHRY
	ORNG
	STAR
	BARR

F. A prize winner in the "DOUBLE DICE" instant game is determined by removing the latex from the play area on the front of the ticket to determine the two play symbols and prize symbol identified as GAME 1, the two play symbols and prize symbol identified as GAME 2, and the two play symbols and prize symbol identified as GAME 3. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the player's YOUR ROLL beats HOUSE ROLL in either GAME 1, GAME 2, or GAME 3, he or she wins the prize shown for that game. If the BONUS BUCKS play symbol is "$$", the player wins twice the amount of the PRIZE spot. There may be three ways to win. The prizes are as follows:

$1.00	=	$1 (one dollar) or
$1.00 + $$	=	$2 (two dollars) or
$2.00	=	$2 (two dollars) or
$5.00	=	$5 (five dollars) or
$5.00 + $$	=	$10 (ten dollars) or
$10.00 + $$	=	$20 (twenty dollars) or
$500	=	$500 (five hundred dollars) or
$500 + $$	=	$1,000 (one thousand dollars).

Historical Note
Adopted effective April 20, 1995 (Supp. 95-2).

R19-3-393. "Scratch, Match, & Win"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "$1", "$2", "$5", "$10", "$20", "$50", or "$100" with confirming captions.

B. A pack-ticket number beginning with 300001 is located in the lower-left portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$20	TWYDOL
$50	FTYDOL
$100	ONEHUND

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $50, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FFY	=	$50
			ONH	=	$100

E. A prize winner in the "SCRATCH, MATCH & WIN" instant game is determined by removing the latex from the play area on the front of the ticket to determine the nine play symbols. Neither the retailer validation code (or any portion thereof),

the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches three like play symbols, he or she wins that prize. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$20	=	$20 (twenty dollars) or
Match 3	$50	=	$50 (fifty dollars) or
Match 3	$100	=	$100 (one hundred dollars)

Historical Note
Adopted effective July 17, 1995 (Supp. 95-3).

R19-3-394. "Aces High"

A. In the latex play area located on the right side of the ticket, three play symbols appear in a vertical row with "YOUR CARD" printed above and can be one of the play symbols displayed in Exhibit A. Three play symbols appear in a vertical row with "HOUSE CARD" printed above and can be one of the play symbols viewed in Exhibit B.

B. Three prize symbols appear in a vertical row with "PRIZE" printed above and are one of the following: "$1", "$2", "$5", "$15", "$50", and "$500" with confirming captions. The prize symbols and confirming captions are as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$15	FTNDOL
$50	FTYDOL
$500	FIVHUND

C. A pack-ticket number is located on the lower-left side of the back of the ticket and begins with 400001.

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $15, $50, $100, $150, and $500. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	FFY	=	$50
TWO	=	$2	ONH	=	$100
FIV	=	$5	OFY	=	$150
TEN	=	$10	FHN	=	$500
FTN	=	$15			

E. A prize winner in the "ACES HIGH" instant game is determined by removing the latex from the play area on the front of the ticket to determine the two play symbols and prize symbol identified as "Game 1", the two play symbols and prize symbol identified as "Game 2", and the two play symbols and prize symbol identified as "Game 3". Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the ticket holder's "YOUR CARD" beats "HOUSE CARD" in either "Game 1", "Game 2", or "Game 3", the player wins the prize shown for that game. There may be three winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$1+$2+$2	=	$5 (five dollars) or
$5	=	$5 (five dollars) or
$5+$5	=	$10 (ten dollars) or
$15	=	$15 (fifteen dollars) or
$50	=	$50 (fifty dollars) or
$50+$50	=	$100 (one hundred dollars) or
$50+$50+$50	=	$150 (one hundred fifty dollars) or
$500	=	$500 (five hundred dollars) or
$500+$500	=	$1,000 (one thousand dollars) or
$500+$500+$500	=	$1,500 (one thousand five hundred dollars)

Exhibit A. YOUR CARD

Exhibit B. HOUSE CARD

Historical Note
Adopted effective July 17, 1995 (Supp. 95-3).

R19-3-395. "Lucky Scratch"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "$1", "$2", "$5", "$10", "$15", "$100", or "$1000" with confirming captions as illustrated in Exhibit C.

B. A pack-ticket number beginning with 500001 is located in the lower-left portion on the back of the ticket.

C. Play symbol captions correspond with and verify each of the play symbols as follows:

Play Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$10	TENDOL
$15	FTNDOL
$100	ONEHUND
$1000	ONETHOU

D. The retailer validation code verifies instant winners of $1, $2, $5, $10, $15, or $100 tickets. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	FTN	=	$15
FIV	=	$5	ONH	=	$100

E. A prize winner in the "LUCKY SCRATCH" instant game is determined by removing the latex from the play area on the front of the ticket to determine the nine play symbols. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the ticket owner matches three like play symbols, he or she wins that prize. The prizes are as follows:

Match 3	$1	=	$1 (one dollar) or
Match 3	$2	=	$2 (two dollars) or
Match 3	$5	=	$5 (five dollars) or
Match 3	$10	=	$10 (ten dollars) or
Match 3	$15	=	$15 (fifteen dollars) or
Match 3	$100	=	$100 (one hundred dollars) or
Match 3	$1000	=	$1000 (one thousand dollars)

Exhibit C. CONFIRMING CAPTIONS

Historical Note

Adopted effective July 17, 1995 (Supp. 95-3).

R19-3-396. "Winning Card"

A. Four play symbols, which are in a horizontal row, appear under the latex in the play area located on the center-right portion of the ticket with "YOUR CARD" printed above each play symbol and are one of the play spots displayed in Exhibit D. One winning number symbol appears on the upper-right portion of the play area with "DEALER'S CARD" printed above and is one of the play spots displayed in Exhibit D.

B. A pack-ticket number beginning with 600001 is located in the lower-left portion on the back of the ticket.

C. Prize symbol captions correspond with and verify each of the prize symbols as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$50	FTYDOL
$100	ONEHUND
$2,000	TWOTHOU

F. The retailer validation code verifies instant winners of $1, $2, $5, $10, $20, $50, or $100. The retailer validation code which corresponds with and verifies each of these winners is as follows:

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWY	=	$20
FIV	=	$5	FFY	=	$50
			ONH	=	$100

G. A prize winner in the "WINNING CARD" instant game is determined by removing the latex from the play area on the front of the ticket to determine the four play symbols and the winning number symbol. Neither the retailer validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player's "YOUR CARD" symbol matches the "DEALER'S CARD" symbol, the player wins the prize amount directly under the play symbol. There may be four ways to win on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$2	=	$2 (two dollars) or
$2+$2+$1	=	$5 (five dollars) or
$3+$2	=	$5 (five dollars) or
$5+$5	=	$10 (ten dollars) or
$5+$3+$2	=	$10 (ten dollars) or
$5+$5+$10	=	$20 (twenty dollars) or
$10+$5+$3+$2	=	$20 (twenty dollars) or
$50	=	$50 (fifty dollars) or
$100	=	$100 (one hundred dollars) or
$2,000	=	$2,000 (two thousand dollars)

Exhibit D. DEALER'S CARD / YOUR CARD

Historical Note
Adopted effective July 17, 1995 (Supp. 95-3).

R19-3-397. "Football Fever"

A. In the latex play area located on the right side of the ticket, three play symbols appear in a vertical row with "YOUR SCORE" printed above and are one of the following: "3", "6", "7", "10", "13", "14", "17", "20", "21", "24", and "27", with confirming captions. Three play symbols appear in a vertical row with "THEIR SCORE" printed above and are one of the following: "0", "3", "6", "7", "10", "13", "14", "17", "20", "21", and "24", with confirming captions. The play symbols captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
0	ZRO
3	THR
6	SIX
7	SVN
10	TEN
13	TRN
14	FRT
17	SVT
20	TWY
21	TTN
24	TTF
27	TWN

B. Three prize symbols appear in a vertical row with "PRIZE" printed above and are one of the following: "$1", "$2", "$3", "$5", "$10", "$15", "$100", and "$5,000" with confirming captions. The prize symbols and confirming captions are as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$3	THRDOL
$5	FIVEDOL
$10	TENDOL
$15	FTNDOL
$100	ONEHUND
$5000	FIVTHOU

C. A pack-ticket number is located on the lower-left side of the back of the ticket and begins with 700001.

D. The retailer-validation code verifies instant winners of $1, $2, $5, $10, $25, and $100. The retailer-validation code which corresponds with and verifies each of these winners is as follows

ONE	=	$1	TEN	=	$10
TWO	=	$2	TWF	=	$25
FIV	=	$5	ONH	=	$100

E. A prize winner in the "FOOTBALL FEVER" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as "Game 1", the 2 play symbols and prize symbol identified as "Game 2", and the 2 play symbols and prize symbol identified as "Game 3". Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the ticket holder's "YOUR SCORE" beats "THEIR SCORE" in either "Game 1", "Game 2", or "Game 3", the player wins the prize shown for that game. There may be three winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1+$1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$5	=	$5 (five dollars) or
$1+$2+$2	=	$5 (five dollars) or
$10	=	$10 (ten dollars) or
$5+$5	=	$10 (ten dollars) or
$5+$3+$2	=	$10 (ten dollars) or
$15+$10	=	$25 (twenty-five dollars) or
$10+$10+$5	=	$25 (twenty-five dollars) or
$100	=	$100 (one hundred dollars) or
$5,000	=	$5,000 (five thousand dollars)

Historical Note
Adopted effective September 13, 1995 (Supp. 95-3).

R19-3-398. "Blackjack"

A. In the latex play area located on the right side of the ticket, three play symbols appear in a vertical row with "YOUR HAND" printed above and are one of the following: "13", "14", "15", "16", "17", "18", "19", "20", or "21", with confirming captions. Three play symbols appear in a vertical row with "DEALER'S HAND" printed above and are one of the following: "12", "13", "14", "15", "16", "17", "18", "19", or "20", with confirming captions. The play-symbol captions correspond with and verify the play symbols as follows:

Play Symbols	Caption
12	TLV
13	THN
14	FRN
15	FTN
16	SXT
17	SVT
18	EGN
19	NIT
20	TWY
21	TYN

B. Three prize symbols appear in a vertical row with "PRIZE" printed above and are one of the following: "$1", "$2", "$5", "$20", "$40", "$250", or "$21,000" with confirming captions as follows:

Prize Symbol	Caption
$1	ONEDOL
$2	TWODOL
$5	FIVEDOL
$20	TWYDOL
$40	FRYDOL
$250	2HUND50
$21,000	TYNTHOU

C. A pack-ticket number beginning with 800001 is located in the lower-left portion on the back of the ticket.

D. The retailer-validation code verifies instant winners of a $1, $2, $3, $5, $10, $15, $40, or $250 ticket. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

$1	=	ONE	$10	=	TEN
$2	=	TWO	$15	=	FTN
$3	=	THR	$40	=	FTY
$5	=	FIV	$250	=	THF

E. A prize winner in the "BLACKJACK" instant game is determined by removing the latex from the play area on the front of the ticket to determine the 2 play symbols and prize symbol identified as the "1st Game", the 2 play symbols and prize symbol identified as the "2nd Game", and the 2 play symbols and prize symbol identified as the "3rd Game". Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols or prize symbols and are not usable or playable as such. If the player's "YOUR HAND" beats "DEALER'S HAND" in either the "1st Game", "2nd Game", or "3rd Game", the player wins the prize shown for that game. There may be three winning games on a ticket. The prizes are as follows:

$1	=	$1 (one dollar) or
$1+$1	=	$2 (two dollars) or
$2	=	$2 (two dollars) or
$1+$1+$1	=	$3 (three dollars) or
$5	=	$5 (five dollars) or
$1+$2+$2	=	$5 (five dollars) or
$5+$5	=	$10 (ten dollars) or
$5+$5+$5	=	$15 (fifteen dollars) or
$40	=	$40 (forty dollars) or
$20+$20	=	$40 (forty dollars) or
$250	=	$250 (two-hundred fifty dollars or
$21,000	=	$21,000 (twenty-one thousand dollars)

Historical Note

Adopted effective September 13, 1995 (Supp. 95-3).

R19-3-399. "X's and O's"

A. Nine play symbols, which are contiguous to each other in three rows, appear under the latex in the play area located on the right side on the front of the ticket and are one of the following: "X" and "O" with confirming captions. The play-symbol captions correspond with and verify the play symbols as follows:

Play Symbol	Caption
X	1XX0
O	1OO0

B. A pack-ticket number beginning with 900001 and is located in the lower-left portion on the back of the ticket.

C. The retailer-validation code verifies instant winners of $1, $2, $5, $10, $20, or $100. The retailer-validation code which corresponds with and verifies each of these winners is as follows:

$1	=	ONE	$10	=	TEN
$2	=	TWO	$20	=	TWY
$5	=	FIV	$100	=	ONH

D. A prize winner in the "X's & O's" instant game is determined by removing the latex from the play area on the front of the ticket to determine the nine play symbols. Neither the retailer-validation code (or any portion thereof), the pack-ticket number (or any portion thereof), nor the validation number (or any portion thereof) are play symbols and are not usable or playable as such. If the player has either three "X" or three "O" play symbols in any one row, column, or the upper-left to lower-right diagonal, he or she wins the prize indicated. A player may win only one time on a ticket. The prizes are as follows:

Right Column	=	$1 (one dollar) or
Center Column	=	$2 (two dollars) or
Left Column	=	$5 (five dollars) or
Top Row	=	$10 (ten dollars) or
Center Row	=	$20 (twenty dollars) or
Bottom Row	=	$100 (one-hundred dollars) or
Upper-left to lower-right diagonal	=	$1,000 (one thousand dollars)

Historical Note

Adopted effective September 13, 1995 (Supp. 95-3).

ARTICLE 4. ON-LINE LOTTERY GAMES

R19-3-401. Arizona On-line Games - General Provisions

A. Definitions. In this Article, unless the context otherwise requires:

1. "Breakage" means a situation in which the shares in each prize category are rounded down to the nearest ten cents.
2. "Cash Value" means payment of the Division 1 prize pool share amount paid in one lump sum.
3. "Drawing" means the process used to randomly select the winning numbers from the defined game matrix.
4. "Fantasy 5" means a game in which five numbers of a 35-number matrix are selected as a game play.
5. "Game board" or "board" means the area of the selection slip which contains numbered squares. Each game board is identified with one letter from A through E, corresponding to the numbers selected and printed on the purchased ticket.
6. "Game play" or "play" means the selected numbers which appear on a ticket as a single lettered selection.
7. "Game ticket" or "ticket" means a ticket produced by a terminal which contains the caption designating the game name, from one to five lettered game plays each having the numbers selected, the beginning and ending drawing dates, a four-digit security code, the price of the ticket, the number of draws, a retailer number, and a 12-digit serial number.
8. "LOTTO" means a game in which six numbers of a 42-number matrix are selected as a game play.
9. "Multiple winners" means a situation in which more than one claimant redeems an individual share.
10. "Original Annuity" means the annuitized value of the Division 1 prize pool share amount paid in 20 equal annual payments.
11. "POWERBALL" means a game in which five numbers of a 45-number matrix plus one number of a second 45-number matrix are selected as a game play.
12. "Quick pick" means the random selection by a terminal of numbers from the defined game matrix, which appear on a ticket as a single lettered selection.
13. "Selection slip" means a card used in marking a player's game plays. Each selection slip has five game boards.

14. "Set Prize" means a prize that is advertised to be paid by a single cash payment.
15. "Share" means any single winning game play, which is equal to any other share in the same prize category.
16. "Terminal" means a device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system. The terminal is functional for the purpose of issuing Lottery tickets and entering, receiving, and processing Lottery transactions. These transactions include producing and voiding ticket purchases, validating winning tickets, and transmitting reports.
17. "Winning numbers" means the numbers from the defined game matrix randomly selected at each drawing which determine winning game plays contained on a ticket.

B. Price of game plays. Each game play shall sell for no more than $1.00.

C. Ticket purchase, characteristics, and restrictions. The retailer shall issue a ticket from the terminal containing any selected set of numbers from the defined game matrix.

1. To play an on-line game, a player shall select one or more sets of different numbers from the defined game matrix for input into a terminal. A player may select each set by:
   a. Verbally communicating the numbers to a retailer,
   b. Marking the numbered squares required in any one game board on a selection slip and submitting the selection slip to a retailer,
   c. Requesting a "quick pick" from the retailer, or
   d. Marking "quick pick" on a selection slip.
2. A ticket, subject to the validation requirements of subsection (G), is the only proof of any game play and the only valid receipt for claiming any prize. A selection slip has no pecuniary or prize value and does not constitute evidence of any ticket purchased.
3. A ticket holder may have a Lotto or Fantasy 5 ticket voided by returning the ticket to the retailer who sold it on the date of purchase before the terminal is closed for that day. Powerball tickets may not be voided or canceled by returning the ticket to the retailer who sold it or to the lottery, including tickets that are printed in error. No ticket shall be returned to the Lottery for credit. Tickets accepted by retailers as returned tickets and which cannot be resold shall be deemed owned by the bearer thereof.
4. If a ticket is voided as prescribed in paragraph (3), the retailer shall refund the ticket price to the ticket holder.
5. The Lottery shall not be liable for tickets printed in error. The ticket purchaser is responsible for the accuracy of any game play and other data printed on the ticket. In the event of an error, the player's sole remedy is the voiding of the ticket, pursuant to paragraph (3).
6. Retailer shall not sell a ticket or combination of tickets to any person or entity which would guarantee such purchaser a win.
7. Plays may only be entered manually using the lottery terminal keypad or touch screen or by means of a selection slip provided by the Lottery and hand-marked by the player. Retailers shall not permit the use of facsimiles of selection slips, copies of selection slips, or other materials that are inserted into the terminal's selection slip reader that are not printed or approved by the Lottery.

D. Drawings.

1. The drawings shall be held at the times and places established by the Director and subsequently announced to the public.
2. The objective of a LOTTO drawing is to select the six random winning numbers with the aid of mechanical drawing equipment.
3. The objective of a "Fantasy 5" drawing is to randomly select five winning numbers with the aid of mechanical drawing equipment.
4. The objective of a "POWERBALL" drawing is to randomly select five winning numbers from a 45-number matrix, plus the Powerball winning number from a second 45-number matrix, with the aid of mechanical drawing equipment.

E. Determination of "LOTTO" prize game plays.

1. Prizes shall be determined and awarded on the following basis:

Game Plays Containing	Prize Category	Share of Prize Fund
All Six Winning Numbers	Division 1 (Jackpot)	69% after Division 4 allotment
Any Five Winning Numbers	Division 2 (Second Place)	10% after Division 4 allotment
Any Four Winning Numbers	Division 3 (Third Place)	21% after Division 4 allotment
Any Three Winning Numbers	Division 4 (Fourth Place)	$2.00

2. Each winning game play shall be paid an equal share of a prize category. No more than the highest division prize amount established shall be paid on a winning game play.
3. Any money left in a prize category after breakage shall be included in the Division 1 prize pool.

F. Determination of "Fantasy 5" prize game plays.

1. Prizes shall be determined and awarded on the following basis:

Game Plays Containing	Prize Category	Prize
All Five Winning Numbers	Division 1 (Top Prize)	$50,000
Any Four Winning Numbers	Division 2 (Second Place)	$500
Any Three Winning	Division 3	$5

Numbers (Third Place)

2. No more than the highest division prize amount established shall be paid on a winning game play.
3. If there are more than ten Division 1 winning game plays in a single drawing, each will receive an equal proportionate share of a maximum $500,000.

G. Determination of POWERBALL prize game plays.

1. Prizes shall be determined and awarded on the following basis:

Game Plays Matching Lottery Draws of:	Prize Category	Prize or Share of Prize Pool:
All five of first matrix plus one of second matrix	Jackpot	60.56% of Prize Pool
All five of first matrix and none of second matrix	Division 2	$100,000
Any four of first matrix plus one of second matrix	Division 3	$5,000
Any four of first matrix and none of second matrix	Division 4	$100
Any three of first matrix plus one of second matrix	Division 5	$100
Any three of first matrix and none of second matrix	Division 6	$5
Any two of first matrix plus one of second matrix	Division 7	$5
Any one of first matrix plus one of second matrix	Division 8	$2
None of first matrix plus one of second matrix	Division 9	$1

2. Each Jackpot winning game play shall be paid an equal share of the prize category. No more than the highest division prize amount established shall be paid on a winning game play.
3. The prize pool percentage allocated to the set prizes (the cash prizes of $100,000 or less) shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the set prizes awarded in the current draw. If the total of the set prizes awarded in a drawing exceeds the percentage of the prize pool allocated to the set prizes, then the amount needed to fund the set prizes awarded shall be drawn from the following sources, in the following order:
   a. The amount allocated to the set prizes and carried forward from previous draws, if any;
   b. An amount from the set prize reserve account, if available, not to exceed $20 million per drawing.
4. If, after these sources are depleted, there are not sufficient funds to pay the set prizes awarded, then the highest set prize shall become a pari-mutuel prize. If the amount of the highest set prize, when paid on a pari-mutuel basis, drops to or below the next highest set prize and there are still not sufficient funds to pay the remaining set prizes awarded, then the next highest set prize shall become a pari-mutuel prize. This procedure shall continue down through all set prizes levels, if necessary, until all set prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this rule shall be divided among the winning plays in proportion to their respective prize percentages.

H. Ticket ownership and responsibility.

1. Until a ticket is signed, the ticket is owned by its physical possessor.
2. When signed, the claimant whose signature appears on the ticket is entitled to the corresponding prize.
3. If more than one signature appears on the ticket, the Director is authorized to require that one or more of those claimants be designated to receive payment.
4. A claim form shall be submitted by each claimant who is designated by the Director to receive a portion of the prize claimed from the winning ticket.
5. Any claim forms submitted shall be signed by all other claimants whose signatures appear on the ticket and who are relinquishing their individual claims to the winning ticket.
6. Payment shall be made to any claimants designated on the claim form.
7. The Lottery is not responsible for lost or stolen tickets.

I. Ticket validation requirements.

1. To be a ticket eligible to receive a prize, all of the following requirements shall be satisfied.
   a. The ticket is:
      i. Issued by the Lottery through a retailer, from a terminal, in an authorized manner;
      ii. Intact and is not mutilated or tampered with in any manner;
      iii. Not defectively printed or produced in error;
      iv. Not counterfeit, stolen, or voided; and
      v. Able to pass all other confidential validation tests determined by the Director;
      vi. Validated in accordance with the provisions of subsections (K) and (L).
   b. The ticket data is:
      i. Recorded in the on-line contractor's central computer system prior to the drawing;
      ii. In agreement with the computer record;
      iii. In the Lottery's official file of winning tickets and has not been previously paid.
   c. Any winning game play on the ticket is separately lettered and consists of a selected set of numbers from the defined game matrix.
2. If a ticket fails to pass any of the requirements in paragraph (1), the ticket is void and ineligible for any prize payment.

J. Disputes concerning a ticket.

1. If a dispute between the Lottery and a claimant occurs concerning a ticket, the Director is authorized to replace the disputed ticket with a ticket of equivalent sales price from any subsequent drawing of the same game.
2. Replacement of the disputed ticket is the sole and exclusive remedy for a claimant.

K. Procedure for claiming prizes.

1. To claim a prize of up to $600, the claimant shall present the signed ticket to any participating on-line retailer. The retailer shall pay the claimant provided that:
   a. All of the ticket validation criteria in subsection (H) have been satisfied; and
   b. A proper validation ticket, which is an authorization to pay, has been issued by the terminal.

2. To claim a prize that the retailer does not validate or is not authorized to pay, including all prizes over $600, the claimant shall submit a claim form, available from any retailer, and the ticket to the Lottery.
3. If the claim is:
   a. Validated by the Lottery, a check shall be forwarded to the claimant;
   b. Denied by the Lottery, the claimant shall be notified within 15 days from the day the claim is received in the Lottery office.

L. Prize payments.
1. If a ticket contains more than one winning game play, any prize amounts shall be combined and paid in accordance with the prize payment limits specified in subsection (J).
2. Prizes shall be paid by cash or check at the discretion of the Director.
3. "LOTTO" Division 1 prize cash value (prize pool share amount) may be paid in one lump sum at the winners' discretion when purchasing the ticket.
4. "LOTTO" Division 1 prizes of $400,000 or more, regardless of the number of shares, may be paid in 20 equal annual payments at the winners' discretion when purchasing the ticket. These payments shall commence with the time of validation and thereafter be paid on the anniversary date of the winning prize drawing.
   a. If the death of a "LOTTO" prize winner occurs, the Lottery shall pay all remaining prize payments to the prize winner's beneficiary or to any person designated by an appropriate judicial order.
   b. The Lottery shall provide the prize amount in the form of an annuity.
5. POWERBALL Division One Jackpot prizes of $250,000 or more, regardless of the number of shares, shall be paid in 20 equal annual payments. The payments shall commence with the time of validation or after the 15th calendar day following the drawing, whichever is later, and thereafter be paid on the anniversary date of the winning prize drawing.
   a. If the death of a POWERBALL prize winner occurs, the Lottery shall pay all remaining prize money to the prize winner's estate, to the beneficiary designated to the Lottery by the prize winner, or to any person designated to the Lottery by the prize winner, or to any person designated by an appropriate judicial order.
   b. The Lottery shall provide the prize amount in the form of an annuity.

M. Prize fund.
1. 50% of the gross sales revenue from the "LOTTO" game, less any voids, is reserved for prizes and is allocated to the prize categories specified in subsection (E).
2. If it is determined that there are no winning tickets for a specific prize category in any given "LOTTO" drawing, all monies allocated for that prize category shall be combined with the monies allocated for the Division 1 prize category. This rollover process continues until there is a winning ticket for the Division 1 prize category.
3. 50% of the gross sales revenue from the "Fantasy 5" game, less any voids, is reserved for prizes and is allocated to the prize categories specified in subsection (F)
4. 50% of the gross sales revenue from the POWERBALL game is reserved for prizes and is allocated to the prize categories specified in subsection (G).
5. If an on-line game is terminated for any reason, any remaining prize monies shall be held by the Lottery for a period of 180 days from the date of the last drawing and then used for additional prizes in any other lottery game.

Historical Note

Adopted as an emergency effective June 10, 1983, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 83-3). Former Section R4-37-401 adopted as an emergency effective June 10, 1983, now adopted without change as a permanent rule effective September 14, 1983 (Supp. 83-5). Amended subsections (A), (D), (E), (J), (K) effective September 7, 1984 (Supp. 84-4). Amended subsection (K) effective March 14, 1985 (Supp. 85-2). Amended effective September 26, 1986 (Supp. 86-5). Amended effective June 29, 1989 (Supp. 89-2). Amended as an emergency effective September 25, 1991, pursuant to A.R.S. § 41-1026, valid for only 90 days (Supp. 91-3). Emergency expired. Emergency amendments permanently adopted effective March 3, 1992 (Supp. 92-1). Amended effective March 9, 1992 (Supp. 92-1). Amended effective April 4, 1994 (Supp. 94-2). R19-3-401 recodified from R4-37-401 (Supp. 95-1).

ARTICLE 4. ON-LINE LOTTERY GAMES

R19-3-402. "Arizona Bingo"

A. Definitions.
1. "Arizona Bingo" means an on-line game in which 24 play symbols of a 75-play-symbol matrix are selected as a game card.
2. "Drawing" means the process used to randomly select winning play symbols from the defined game matrix.
3. "Game card" means the area on the ticket which contains the grid in which 24 randomly selected play symbols are printed. There may be more than 1 game card on a ticket.
4. "Game Profile" means the written document that includes non-confidential game information including, but not limited to, the game prize structure, winning game play style or styles, and special game features.
5. "Multiple winners" means a situation in which more than 1 claimant redeems an individual share.
6. "On-line game" means a game that is played by entering a player's game play or plays into a lottery-authorized terminal to produce a ticket. The game play or plays on the ticket are compared to winning numbers selected during the drawing process to determine if a ticket holder is entitled to a prize or prizes.
7. "Play symbols" means the numbers, letters, or characters printed on each game card of a ticket that determine if a player is entitled to a prize.
8. "Terminal" means a device which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer system. The terminal is functional for the purpose of issuing Lottery tickets and entering, receiving, and processing Lottery transactions. These transactions include producing and voiding ticket purchases, validating winning tickets, and transmitting reports.
9. "Ticket" means paper stock issued from a terminal by a licensed Lottery agent bearing 1 or more game cards.
10. "Winning play symbols" means the numbers from the defined game matrix randomly selected at each drawing which determine winning game plays contained on a ticket.

B. Game Profile
1. The Commission shall approve the individual game profile prior to the game being introduced to the public for sale.

2. At a minimum, the Game Profile for each game shall contain the following information:
   a. Game name;
   b. Prize structure, including the approximate odds and amount of prizes available, and the prize pool percentage;
   c. Winning play styles;
   d. Special feature, if any;
   e. Retail sales price.

C. Ticket Purchase and Characteristics
1. To play the on-line "Arizona Bingo" game, a player shall indicate the following by verbally communicating to the retailer:
   a. The number of tickets the player wishes to purchase; and
   b. The number of advance plays, if applicable.
2. A unique serial number shall be printed on the front of the ticket that will distinguish it from every other ticket.
3. A retailer shall issue, from an authorized Lottery terminal, a ticket containing 1 or more game play areas ("game cards") as specified in the Game Profile, each of which shall contain 24 randomly selected play symbols from a matrix of 75 play symbols and a "FREE" play symbol.
   a. The 24 randomly selected play symbols shall be printed on each of the play cards forming a grid of 5 rows and 5 columns.
   b. The 3rd play symbol in the 3rd column shall be the symbol "FREE".
4. On-line "Arizona Bingo" tickets may not be voided or canceled.

D. Drawing
1. The drawings shall be held at the times and places established by the Director and subsequently announced to the public.
2. The objective of the "Arizona Bingo" drawing is to select the 24 random winning play symbols with the aid of computerized drawing equipment.

E. Game Play Style and Determination of a Winning Game Card
1. A player shall win the prize or prizes indicated in the Game Profile by matching the winning play symbols selected at the drawing to the play symbols that appear in 1 or more of the following patterns on each game card:
   a. Five consecutive play symbols, including the "FREE" play symbol, if appropriate, in any horizontal, vertical, or diagonal line as illustrated in Exhibit 1; or
   b. Play symbols in all 4 corners as illustrated in Exhibit 2; or
   c. All 5 consecutive play symbols in the top row, the bottom row, and the 1st and 5th columns forming an outer frame pattern as illustrated in Exhibit 3; or
   d. The 2nd, 3rd, and 4th play symbols in the 2nd row and in the 4th row and the 2nd, 3rd, and 4th play symbols in the 2nd column and the 4th column, forming an inner frame pattern as illustrated in Exhibit 4; or
   e. The 1st, 2nd, 4th, and 5th play symbols in the 1st, 2nd, 4th, and 5th rows, forming a box pattern in each of the 4 corners as illustrated in Exhibit 5; or
   f. The 3rd play symbol in the 1st and 5th rows, the 2nd and 4th play symbols in the 2nd and 4th rows, and the 1st and 5th play symbols in the 3rd row, forming a diamond pattern as illustrated in Exhibit 6; or
   g. The 3rd, 4th, and 5th play symbols in the 1st and 5th columns, the 2nd and 3rd play symbols in the 2nd and 4th columns, the 1st play symbol in the 3rd column, and the "FREE" play symbol forming an "A" pattern as illustrated in Exhibit 7; or
   h. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st and 5th rows, and the 1st play symbols in the 2nd, 3rd, and 4th rows, forming a "C" pattern as illustrated in Exhibit 8; or
   i. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st column, and the 2nd, 3rd, 4th, and 5th play symbols in the 5th row, forming an "L" pattern as illustrated in Exhibit 9; or
   j. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st and 5th columns, and the 3rd play symbol in the 2nd and 4th columns, and the "FREE" play symbol, forming an "H" pattern as illustrated in Exhibit 10; or
   k. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row, and the 2nd play symbol in the 3rd column, the "FREE" play symbol, and the 4th and 5th play symbols in the 3rd column, forming a "T" pattern as illustrated in Exhibit 11; or
   l. Five consecutive play symbols in both diagonals forming an "X" pattern as illustrated in Exhibit 12; or
   m. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row and 5th row, the 2nd play symbol in the 4th row, the "FREE" play symbol, and the 4th play symbol in the 2nd row, forming a "Z" pattern as illustrated in Exhibit 13; or
   n. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row, the 4th play symbol in the 2nd row, the "FREE" play symbol, the 2nd play symbol in the 4th row, and the 1st play symbol in the 5th row, forming a "7" pattern as illustrated in Exhibit 14; or
   o. All of the play symbols in the 1st, 2nd, 3rd, 4th, and 5th rows, and including the "FREE" play symbol, creating a "blackout" as illustrated in Exhibit 15.
2. Players can win on each game card on a ticket.
3. There may be multiple winning patterns on a single game card matching 5 consecutive play symbols, including the "FREE" play symbol if appropriate, in any horizontal, vertical, or diagonal line as illustrated in Exhibit "1."
4. In the event multiple winning patterns occur on a single game card as described in subsections (E)(1)(b) through (E)(1)(o), only the highest established prize value shall be paid on each game card.

F. Ticket Ownership and Responsibility; Prize Payment
1. Until a ticket is signed, the ticket is owned by its physical possessor.
2. When signed, the claimant whose signature appears on the ticket is entitled to the corresponding prize.
3. If more than 1 signature appears on the ticket, the Director is authorized to require that 1 or more of those claimants be designated to receive payment.
4. A claim form shall be submitted by each claimant who is designated by the Director to receive a portion of the prize claimed from the winning ticket.
5. Prior to payment of a prize, a claimant who has signed the ticket may designate another claimant to receive the prize by signing a relinquishment of claim statement.
6. Prizes shall be paid by cash or check, according to the provisions in subsection (I) of this rule.
7. All prize levels are fixed amounts and are specified in the Game Profile. Each game card winning any prize entitles the winner to the prize amount specified in the Game Profile.
8. The Lottery is not responsible for lost or stolen tickets.

G. Ticket Validation Requirements
1. To be a ticket eligible to receive a prize, all of the following requirements shall be satisfied:
   a. The ticket is:
      i. Issued by the Lottery through a retailer, from a terminal, in an authorized manner;
      ii. Intact and is not mutilated or tampered with in any manner;
      iii. Not defectively printed or produced in error;
      iv. Not counterfeit, stolen, or voided;
      v. Able to pass all other security requirements determined by the Director;
      vi. Validated in accordance with the provisions of subsections (F) and (I).
   b. The ticket data is:
      i. Recorded in the on-line contractor's central computer system prior to the drawing,
      ii. In agreement with the computer record,
      iii. In the Lottery's official file of winning tickets and has not been previously paid.
   c. Any winning game play on the ticket is separately lettered or numbered and consists of a selected set of numbers from the defined game matrix.
2. If a ticket fails to pass any of the requirements in subsection (G)(1), the ticket is void and ineligible for any prize payment.

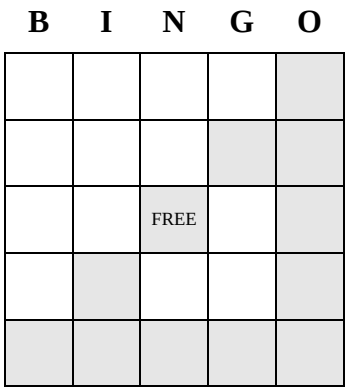
H. Disputes Concerning a Ticket
1. If a dispute between the Lottery and a claimant occurs concerning a ticket, the Director is authorized to replace the disputed ticket with a ticket of equivalent sales price from any subsequent drawing of the same game.
2. Replacement of the disputed ticket is the sole and exclusive remedy for a claimant.

I. Procedure for Claiming Prizes
1. To claim a prize of up to and including $599.00, the claimant shall present the signed ticket to any participating on-line retailer. The retailer shall pay the claimant provided that:
   a. All of the ticket validation criteria in subsection (G) have been satisfied; and
   b. A proper validation ticket, which is an authorization to pay, has been issued by the terminal.
2. To claim a prize that the retailer does not validate or is not authorized to pay, including all prizes $600.00 or more, the claimant shall submit a claim form, available from any retailer, and the ticket to the Lottery.
3. If the claim is:
   a. Validated by the Lottery, a check shall be forwarded to the claimant.
   b. Denied by the Lottery, the claimant shall be notified within 15 days from the day the claim is received in the Lottery office.

J. The definitions and provisions of R19-3-401, except for those contained in subsections (H), (I), (J), and (K), do not apply to the on-line "Arizona Bingo" play style.

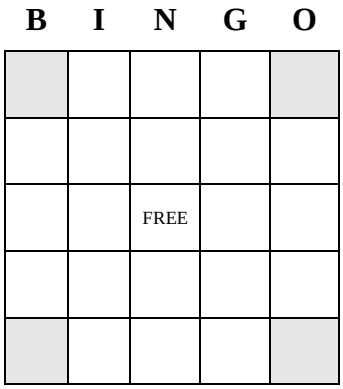
Historical Note
Adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 1. Any Horizontal, Vertical, or Diagonal Line



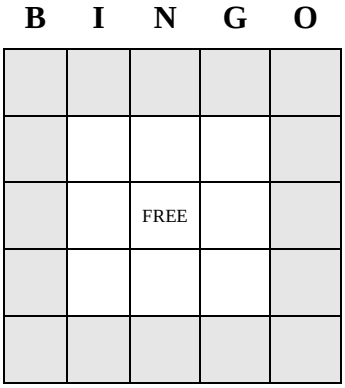
Historical Note
Exhibit 1 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 2. Four Corners



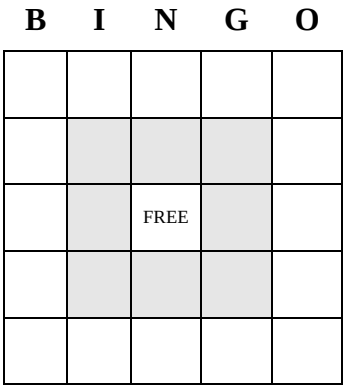
Historical Note
Exhibit 2 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 3. Outer Frame



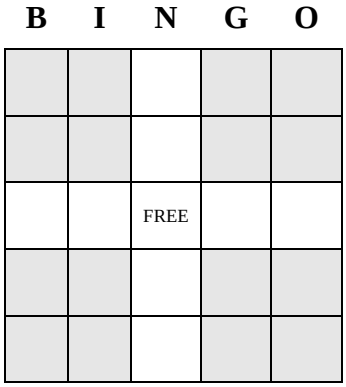
Historical Note
Exhibit 3 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 4. Inner Frame



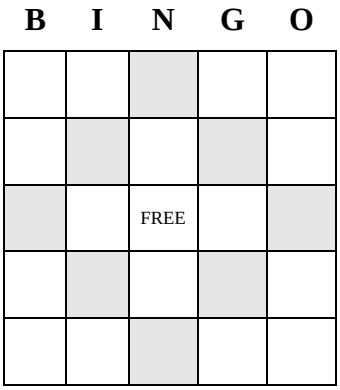
Historical Note
Exhibit 4 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 5. Four Corner Box Patters



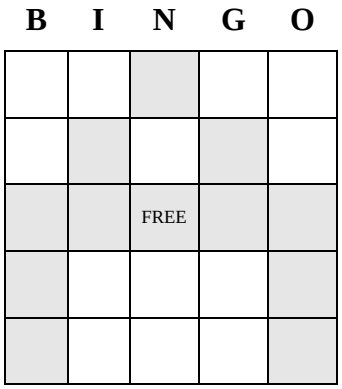
Historical Note
Exhibit 5 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 6. Diamond Pattern



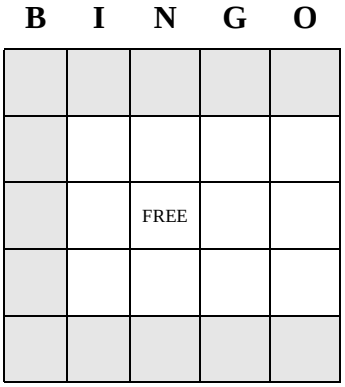
Historical Note
Exhibit 6 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 7. "A" Pattern



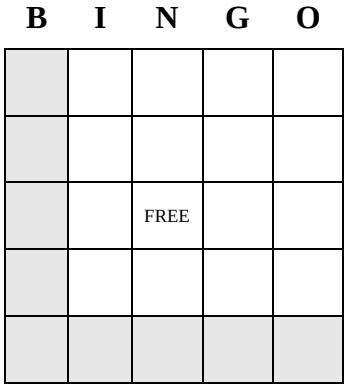
Historical Note
Exhibit 7 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 8. "C" Pattern



Historical Note
Exhibit 8 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 9. "L" Pattern



Historical Note
Exhibit 9 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 10. "H" Pattern

B	I	N	G	O
		FREE		

Historical Note
Exhibit 10 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 11. "T" Pattern

B	I	N	G	O
		FREE		

Historical Note
Exhibit 11 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 12. "X" Pattern

B	I	N	G	O
		FREE		

Historical Note
Exhibit 12 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 13. "Z" Pattern

B	I	N	G	O
		FREE		

Historical Note
Exhibit 13 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 14. "7" Pattern

B	I	N	G	O
		FREE		

Historical Note
Exhibit 14 adopted effective June 27, 1997 (Supp. 97-2).

Exhibit 15. "Blackout"

B	I	N	G	O
		FREE		

Historical Note
Exhibit 15 adopted effective June 27, 1997 (Supp. 97-2).

R19-3-403. "PICK 3™"

A. Definitions. The following definitions and the definitions in R19-3-401(A)(3), (A)(5), (A)(9), (A)(12), (A)(13), (A)(15) and (A)(16) apply to PICK 3™.

1. "Game play" or "play" means the selected numbers which appear on a ticket as a single wager. More than 1 game play may appear on a ticket.

2. "Game Profile" means a written document that contains non-confidential game information including the game name, matrix/prize structure, prize fund percentage, game play styles, the frequency of drawings, play symbols, retail sales price, and special game features.
3. "On-line game" means a game that is played by entering a player's game play or plays into a lottery authorized terminal to produce a ticket. The game play or plays on the ticket are compared to winning numbers selected during the drawing process to determine if a ticket holder is entitled to a prize or prizes.
4. "PICK 3™" means an on-line game in which 3 play numbers between 0 and 9 are selected as a game play.
5. "Play symbols" means the numbers, letters, or characters printed on each game play of a ticket that determine if a player is entitled to a prize.
6. "Ticket" means paper stock issued from a terminal by a licensed Lottery retailer containing 1 or more game plays with the game play data for an individual game. The game play data includes at least the caption designating the game name, individual game plays which display the selected numbers, letters, or symbols, the dates of the drawings, the price of the ticket, the number of draws, retailer number, and a unique serial number.
7. "Winning play symbols" or "winning numbers" means the 3 numbers between 0 and 9 that are randomly selected at each drawing which determine winning game plays contained on a ticket.

B. Ticket Purchase and Characteristics

1. To play the on-line PICK 3™ game, a player shall select 1 or more game plays of 3 numbers and a game play style for each game play for input into a terminal. A player may select each game play by:
   a. Verbally communicating the numbers to a retailer;
   b. Marking the numbered squares required in any 1 game board on a selection slip and submitting the selection slip to a retailer;
   c. Requesting a "quick pick" from the retailer, or
   d. Marking "quick pick" on a selection slip.
2. The price for each game play shall be no more than $1.
3. A PICK 3™ ticket, subject to the validation requirements of subsection (G), is the only proof of any game play and the only valid receipt for claiming any prize. A selection slip has no pecuniary value and does not constitute evidence of any ticket purchased.
4. A unique serial number shall be printed on the front of the ticket and will distinguish it from every other ticket.
5. A retailer shall issue, from an authorized Lottery terminal, a ticket containing 1 or more game play areas as specified in the Game Profile, each of which shall contain 3 selected play symbols from 0 through 9.
6. A ticket holder may not have a PICK 3™ ticket voided or canceled.
7. The Lottery shall not be liable for ticket errors. The ticket holder is responsible for the accuracy of ticket data.

C. Drawings

1. The objective of a PICK 3™ drawing is to randomly select 3 single digit winning numbers as defined in the Game Profile. Mechanical, electrical or computerized drawing equipment shall be used to make the random selection. The 3 single digit numbers shall be used to determine PICK 3™ winning game plays.
2. The drawings shall be held at the times and places established by the Director and subsequently announced to the public.

D. Game Play Styles

1. The PICK 3™ game play styles shall be listed in the Game Profile and shall be 1 or more of the following:
   a. "Straight" means a play in which the player matches all 3 selected winning numbers in the exact order drawn.
   b. "3-way box" means a play in which the player matches all 3 selected winning numbers in any order drawn and 2 of the 3 numbers are identical.
   c. "6-way box" means a play in which the player matches all 3 selected winning numbers in any order drawn.
   d. "3-way straight box" means a play in which the player matches all 3 selected numbers in the exact order drawn or in any order drawn, and 2 of the 3 numbers are identical.
   e. "6-way straight box" means a play in which the player matches all 3 selected winning numbers in the exact order drawn or any order drawn.
   f. "Front pair" means a play in which the player matches the 1st 2 selected winning numbers in the exact order drawn.
   g. "Back pair" means a play in which the player matches the last 2 selected winning numbers in the exact order drawn.
   h. "Lead digit" means a play in which the player matches the 1st selected winning number.
2. More than 1 game play style may appear on a ticket.

E. Determination of a Winning PICK 3™ Game Play

1. A player shall win the prize amount indicated in the matrix/prize structure described in the Game Profile by matching the winning play symbols selected at the drawing to the play symbols that appear in 1 or more of the following game play styles on each game play. Prizes shall be determined and awarded on the following basis:

Game Play style & Prize Category	Odds of Winning	Prize Amount
Straight	1:1000	$500
3-Way Box	1:333.33	$160
3-Way Straight	1:1000	$330
Box (Combo)*	1:333.33	$80
6-Way Box	1:166.66	$80
6-Way Straight	1:1000	$290
Box (Combo)**	1:166.66	$40
Front Pair	1:100	$50
Back Pair	1:100	$50
Lead Digit	1:10	$ 5

   * "3-way straight box" pays $330 if numbers match in exact order drawn and pays $80 if numbers match in any other order drawn.
   ** "6-way straight box" pays $290 if numbers match in exact order drawn and $40 if numbers match in any other order drawn.
2. Players can win on each game play on a ticket.
3. No more than the highest prize amount established shall be paid on a winning game play.

F. Ticket Ownership and Responsibility; Prize Payment

1. Until a ticket is signed, the ticket is owned by its physical possessor.
2. When signed, the claimant whose signature appears on the ticket is entitled to the corresponding prize, subject to subsection (F)(5) below.
3. If more than 1 signature appears on the ticket, the Director shall require that 1 or more of those claimants be designated to receive payment. A claim form shall be

submitted by each claimant who is designated by the Director to receive a portion of the prize claimed from the winning ticket.

4. Prior to payment of a prize, a claimant who has signed the ticket may designate another claimant to receive the prize by signing a relinquishment of claim statement.
5. If a winning ticket was purchased by a group of players, the group shall designate 1 of the claimants to sign the ticket. Each claimant shall complete a claim form to receive the claimant's portion of the prize. In the case of a dispute concerning ownership of a ticket, the claimant whose signature appears on the ticket is entitled to the corresponding prize.
6. The Lottery shall only make payment to the claimant, less any authorized debt set-off amounts, who is also the holder of the ticket.
7. Prizes shall be paid by cash or check, according to the provisions in subsection (H) of this rule.
8. All prize levels are fixed amounts, and are specified in the Game Profile. Each play winning any prize entitles the winner to the prize amount specified in the Game Profile.
9. The Lottery is not responsible for lost or stolen tickets.

G. Ticket Validation Requirements

1. Each ticket shall be valid and validated prior to the payment of a prize.
2. For a ticket to be eligible for a prize, all of the following requirements shall be satisfied:
   a. The ticket is:
      i. Issued by the Lottery through a retailer, from a terminal, in an authorized manner;
      ii. Intact, and is not mutilated or tampered with in any manner;
      iii. Not defectively printed, reprinted stating "Not for Sale" on the ticket, or produced in error;
      iv. Not counterfeit, stolen, or voided;
      v. Able to pass all other confidential validation requirements determined by the Director;
      vi. Validated in accordance with the provisions of subsections (F) and (H).
   b. The ticket data is:
      i. Recorded in the on-line contractor's central computer system prior to the drawing;
      ii. In agreement with the contractor's central computer system record;
      iii. In the Lottery's official file of winning tickets and has not been previously paid.
   c. Any winning game play on the ticket is separately lettered or numbered and consists of a selected set of numbers from the defined game matrix.
3. If a ticket fails to pass any of the requirements in subsection (2), the ticket is void and ineligible for any prize payment.

H. Procedure for Claiming Prizes

1. To claim a prize of up to and including $500, the claimant shall present the signed ticket to any participating on-line retailer. The retailer shall pay the claimant provided that:
   a. All of the ticket validation criteria in subsection (G) have been satisfied; and
   b. A proper validation ticket, which is an authorization to pay, has been issued by the terminal.
2. To claim a prize that the retailer does not validate, the claimant shall submit a claim form (available from the Lottery or any retailer) and the ticket to the Lottery.
3. If the claim is:
   a. Verified and validated by the Lottery, the Lottery shall make payment of the amount due to the claimant, less any authorized debt set-off amounts.
   b. Denied by the Lottery, the Lottery shall notify the claimant within 15 days from the day the claim is received in the Lottery office.
4. The Lottery is discharged of all liability upon payment of the prize.

I. Claim Period

1. In order for the claimant to receive payment, a winning on-line game ticket shall be received by the Lottery or a retailer no later than 5 p.m., Mountain Standard Time on the 180th calendar day following the on-line game drawing in which the prize was won.
2. If a claimant presents a valid winning ticket to a retailer for payment on the 180th calendar day following the announced end of game or on-line game drawing and is not paid the prize, the Director is authorized to pay the prize if the claimant presents the valid winning ticket to the Lottery no later than 5 p.m. (Phoenix time) on the following business day.
3. The end of an on-line game shall be designated by the Director and on file at the Lottery.

J. Disputes Concerning a Ticket

1. If a dispute between the Lottery and a claimant occurs concerning a ticket, the Director is authorized to replace the disputed ticket with a ticket of equivalent sales price from any subsequent drawing from any current on-line game.
2. If a defective ticket is purchased, the Lottery shall replace the defective ticket with a ticket or tickets of equivalent sales price from any current game.
3. Replacement of the disputed ticket is the sole and exclusive remedy for a claimant.

Historical Note

Adopted effective April 30, 1998 (Supp. 98-2).

ARTICLE 5. PROCUREMENTS

R19-3-501. Definitions

In this Article, unless the context otherwise requires:

1. "Best interests of the Lottery" means advantageous to the Lottery.
2. "Business" means a corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or other private legal entity.
3. "Change order" means a document signed by the Director which directs the contractor to make a change that the contract authorizes the Director to order.
4. "Contract" means an agreement, regardless of what it is called, for the procurement of lottery equipment, tickets, and related materials.
5. "Contract modification" means a written alteration in the terms or conditions of a contract accomplished by mutual action of the parties to the contract.
6. "Contractor" means a person who has a contract with the Lottery.
7. "Cost analysis" means the evaluation of cost data.
8. "Cost data" means information concerning the actual or estimated cost of labor, material, overhead, and other cost elements that have been incurred or are expected to be incurred by the contractor in performing the contract.
9. "Cost-plus-a-percentage-of-cost-contract" means a contract under which the parties agree, before completion of the contract work, that the fee is a predetermined percentage of the total cost of the work.

10. "Cost-reimbursement contract" means a contract under which a contractor is reimbursed for costs that are reasonable, allowable, and allocable in accordance with the contract terms and the provisions of this Article, and a fee, if provided for in the contract.
11. "Days" means calendar days and is computed under A.R.S. § 1-243.
12. "Director" means the Executive Director of the State Lottery.
13. "Discussions" means oral or written negotiation between the Lottery and an offeror during which information is exchanged about specifications, scope of work, terms and conditions, and price included in an initial proposal. Communication with an offeror for the sole purpose of clarification does not constitute "discussions."
14. "Filed" means delivered to the office of the Director. A time/date stamp affixed to a document by the office of the Director when the document is delivered determines the time of filing.
15. "Incremental award" means a grant of portions of a definite quantity requirement to more than 1 contractor. Each portion is for a definite quantity and the sum of the portions is the total definite quantity required.
16. "Interested party" means an actual or prospective bidder or offeror whose economic interest may be affected substantially and directly by the issuance of a solicitation, the award of a contract, or by the failure to award a contract.
17. "Invitation for bids" means all documents, whether attached or incorporated by reference, that are used to solicit bids in accordance with R19-3-509.
18. "Materials" means all Lottery property including equipment, supplies, printing, insurance, and leases of property but does not include land or a permanent interest in land or real property.
19. "Minor informality" means mistakes, excluding a judgmental error, that has negligible effect on price, quantity, quality, delivery, or other contractual terms and the waiver or correction of which does not prejudice other bidders or offerors.
20. "Multiple award" means a grant of an indefinite quantity contract for 1 or more similar materials or services to more than 1 bidder or offeror.
21. "Multi-step sealed bidding" means a 2-phase bidding process consisting of a technical phase and a price phase.
22. "Person" means any corporation, business, individual, union, committee, club, other organization, or group of individuals.
23. "Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring any lottery materials or services. Procurement consists of all functions that pertain to obtaining any lottery material or services, including description or requirements, selection and solicitation of sources, preparation and award of contract, and contract administration.
24. "Proprietary specification" means a statement that describes a material made and marketed by a person having the exclusive right to manufacture and sell the material and excludes other material with similar quality, performance, or functional characteristics.
25. "Purchase description" means the words used in a solicitation to describe lottery materials to be procured and includes specifications attached to, or made a part of, the solicitation.
26. "Purchase request" or "purchase requisition" means a document or electronic transmission in which the Director requests that a contract be entered into for a specific need and may include a description of a requested item, delivery schedule, transportation data, criteria for evaluation, suggested sources of supply, and information needed to make a written determination required by this Article.
27. "Request for proposals" means all documents, whether attached or incorporated by reference, that are used to solicit proposals in accordance with R19-3-510.
28. "Responsible bidder or offeror" means a person who has the capability to perform contract requirements and the integrity and reliability necessary to ensure a good faith performance.
29. "Responsive bidder or offeror" means a person who submits a bid that conforms in all material respects to the invitation for bids or request for proposals.
30. "Services" means the labor, time, or effort furnished by a contractor with no exception that a specific end product other than required reports and performance will be delivered. Services does not include employment agreements or collective bargaining agreements.
31. "Small business" means a concern, including its affiliates, that is independently owned and operated, is not dominant in its field, and employs fewer than 100 full-time employees or that had gross annual receipts of less than $4 million dollars in its last fiscal year."
32. "Solicitation" means an invitation for bids, a request for proposals, a request for quotations, or any other document by which the Director invites bids or proposals.
33. "Specification" means a description of the physical or functional characteristics, or of the nature of a lottery material or service. Specification includes a description of any requirement for inspecting, testing, or preparing a lottery material for delivery.
34. "Subcontractor" means a person who contracts to perform work or render service to a contractor or to another subcontractor as a part of a contract with the Lottery.
35. "Technical offer" means unpriced written information from a prospective contractor stating the manner in which the prospective contractor intends to perform certain work, its qualifications, and its terms and conditions.
36. "Trade secret" means a confidential, commercially valuable plan, formula, process, or device that is used to make, prepare, compound, or process trade commodities and that is a product of either innovation or substantial effort.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-501 repealed, new Section R4-37-501 renumbered from R4-37-502 and amended effective May 7, 1990 (Supp. 90-2). R19-3-501 recodified from R4-37-501 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-502. Time and Place of Market Price

If the price of a good at a time or place described in this Article is not readily available, the price prevailing within any reasonable time before or after the time described or at any other place that in commercial judgment or under usage of trade would serve as a reasonable substitute for the 1 described may be used, making any proper allowance for the cost of transporting the good to or from the other place.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-

3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-502 renumbered to R4-37-501, new Section R4-37-502 renumbered from R19-3-503 and amended effective May 7, 1990 (Supp. 90-2). R19-3-502 recodified from R4-37-502 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-503. Confidential Information

A. If a person believes a bid, proposal, offer, specification, or protest contains information that should be withheld from the public, the person shall advise the Director of this fact in a written statement that includes why the information should be withheld.

B. The Director shall review the statement and information and issue a written decision whether the information will be withheld.

C. The Director shall provide a copy of the written decision to the person that requested the information be withheld.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-503 renumbered to R4-37-502, new Section R4-37-503 renumbered from R19-3-504 and amended effective May 7, 1990 (Supp. 90-2). R19-3-503 recodified from R4-37-503 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-504. General Provisions

A. A person that participates in any aspect of a specific procurement as an advisor to the Lottery shall not receive any direct or indirect benefit from a contract for the procurement.

B. The Director shall not pay for any material or service unless fully approved.

C. The Director shall use the source selection procedures established by the State Procurement Office when selecting a source selection for a procurement.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-504 renumbered to R4-37-503, new Section R4-37-504 renumbered from R4-37-505 and amended effective May 7, 1990 (Supp. 90-2). R19-3-504 recodified from R4-37-504 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-505. Assignment of Rights and Duties

A Lottery contractor shall not transfer or otherwise assign its rights and duties without the written consent of the Director.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R19-3-505 renumbered to R4-37-504, new Section R19-3-505 renumbered from R4-37-507 and amended effective May 7, 1990 (Supp. 90-2). R19-3-505 recodified from R4-37-505 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-506. Change of Name

If a contractor wishes to change the name in which it holds a Lottery contract, the contractor shall advise the Director in a written statement. The Director shall enter into a written agreement with the contractor in the changed name, providing that no terms and conditions of the contract are changed.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-506 repealed, new Section R4-37-506 renumbered from R4-37-508 and amended effective May 7, 1990 (Supp. 90-2). R19-3-506 recodified from R4-37-506 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-507. Installment Purchases

An installment purchase may be used if advantageous to the Lottery. If an installment purchase is to be used, the Lottery shall include a provision for installment purchase payments in the solicitation.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-507 renumbered to R4-37-505, new Section R4-37-507 renumbered from R4-37-509 and amended effective May 7, 1990 (Supp. 90-2). R19-3-507 recodified from R4-37-507 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-508. Multiple-source Contracting

A. The Lottery shall make an incremental award if the Director determines in writing that the award is necessary to obtain the required quantity or delivery.

B. The Lottery shall make a multiple award if the Director determines in writing that a single award is not advantageous to the Lottery. A multiple award shall be limited to the least number of contractors necessary to meet the requirements of the Lottery.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-508 renumbered to R4-37-506, new Section R4-37-508 renumbered from R4-37-510 and amended effective May 7, 1990 (Supp. 90-2). R19-3-508 recodified from R4-37-508 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-509. Competitive Sealed Bidding

A. The Lottery shall include a purchase description and all contractual terms and conditions applicable to a procurement in any invitation for bids issued.

B. In accordance with this Article, the Lottery shall give public notice of an invitation for bids before the date set in the invitation for the opening of bids. The notice shall be published 1 or more times in a newspaper of general circulation before bid opening. If the invitation for bids is for the procurement of services, the notice shall be published twice in a newspaper within this state. The 2nd publication of the notice shall be not less than 6 nor more than 10 days after the 1st publication and not less than 2 weeks before bid opening.

C. The Lottery shall open bids publicly at the time and place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information specified in this Article shall be recorded and placed in the contract file. This record shall be open to public inspection at the bid opening. The bids shall not be open for public inspection until after a contract is awarded. To the extent the bidder designates and the Director concurs, trade secrets or other proprietary data contained in the bid documents shall remain confidential in accordance with this Article.

D. The Lottery shall unconditionally accept bids without alteration or correction, except as authorized in this Article. Bids shall be evaluated based only on the criteria and requirements in the invitation for bids.

E. The Director may permit a bidder to correct or withdraw an erroneous bid before or after bid opening, if the Director determines that the bidder made a bid mistake. After bid opening, corrections in bid prices or other provisions of bids prejudicial to the interest of the Lottery or fair competition shall not be permitted. Except as otherwise provided in this Article, the Director shall support a decision to permit the correction or withdrawal of a bid, or to cancel an award or contract based on a bid mistake by a written determination.

F. The Lottery shall award a contract to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria in the invitation for bids. The amount of an applicable transaction privilege or use tax of a political subdivision of this state shall not be a factor in determining the lowest responsible and responsive bidder if a competing bidder located outside of this state is not subject to a transaction privilege or use tax of a political subdivision of this state.

G. A multi-step sealed bidding method may be used if the Director determines in writing that it is not practical to prepare a definitive purchase description initially that is suitable to permit an award based on competitive sealed bidding. The multi-step sealed bidding method involves issuing an invitation for bids requesting the submission of technical offers followed by a 2nd invitation for bids requesting the submission of price offer. The 2nd invitation for bids shall be limited to those bidders whose technical offers are determined to be acceptable under the criteria in the 1st invitation for bids.

H. If the price of a recycled paper product that conforms to specifications is within 5% of a low bid product that is not recycled and the recycled product bidder is otherwise the lowest responsibile and responsive bidder, the Lottery shall make the award to the bidder offering the recycled product.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-509 renumbered to R4-37-507, new Section R4-37-509 renumbered from R4-37-512 and amended effective May 7, 1990 (Supp. 90-2). R19-3-509 recodified from R4-37-509 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-510. Competitive Sealed Proposals

A. If the Director determines in writing that the use of competitive sealed bidding is not practicable or not advantageous to the Lottery, the Lottery may enter into a contract by competitive sealed proposals.

B. The Lottery shall solicit competitive sealed proposals through a request for proposals.

C. The Lottery shall give public notice of the request for proposals in the same manner as provided in R19-3-509(b).

D. The Lottery shall open proposals publicly at the time and place designated in the request for proposals. The name of each offeror and other relevant information specified in this Article shall be publicly read and recorded in the contract file. All other information contained in the proposals shall be confidential to avoid disclosure of contents prejudicial to competing offerors during the process of evaluation and contract negotiation. The proposals shall be open for public inspection after contract award. To the extent a bidder designates and the Director concurs, a trade secret or other proprietary data contained in bid documents shall remain confidential in accordance with this Article.

E. The Lottery shall include in a request for proposals information regarding the relative importance of price and other evaluation factors. Specific numerical weighing is not required.

F. The Lottery may specify in a request for proposals that discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible to being selected for award to ensure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair treatment with respect to any opportunity for discussion and revision of proposals. Revisions of proposals may be permitted after submission and before award for the purpose of obtaining best and final offers. The Lottery shall not disclose any information derived from proposals submitted by competing offerors in conducting discussions.

G. The Lottery shall award a contract to the responsible offeror whose proposal is determined in writing to be the most advantageous to the Lottery taking into consideration the evaluation factors in the request for proposals. The Lottery shall not use other factors or criteria in the evaluation. The amount of an applicable transaction privilege or use tax of a political subdivision of this state shall not be a factor in determining the most advantageous proposal if a competing offeror located outside this state is not subject to a transaction privilege or use tax of a political subdivision of this state. The written determination that a proposal is the most advantageous to the Lottery shall be retained in the contract file.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-510 renumbered to R4-37-508, new Section R4-37-510 renumbered from R4-37-513 and amended effective May 7, 1990 (Supp. 90-2). R19-3-510 recodified from R4-37-510 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4).

R19-3-511. Small Business Set-aside

A. Except as provided under subsection (D), the Lottery shall restrict purchases estimated to cost less than $10,000 to small businesses in accordance with procedures set forth in subsections (B) and (C). Purchases shall be conducted in accordance with R19-3-512.

B. If a request for quotations is issued for a purchase estimated to cost less than $10,000, the Lottery shall include in it a notice that only small businesses as defined in R19-2-501(31) may respond. It a request for quotations requires written quotes, a bidder shall self-certify in its quote that it is a small business. If verbal quotes are accepted in response to a written request for quotations or if a bidder fails to certify in a written quote that it is a small business, the Lottery shall confirm before awarding a contract that the intended awardee is a small busi-

ness. The Lottery shall presume that a bidder is a small business if it is registered on the State Procurement Office's prospective vendors list as a small business. The Lottery shall make a written notation in the contract file of this confirmation.

C. If a request for quotations is not issued, the Lottery shall verbally request confirmation that a bidder is a small business. The Lottery shall confirm before awarding a contract for a purchase that the intended awardee is a small business and shall make a written notation in the contract file of that confirmation.

D. The Lottery shall not determine a bidder's status as a small business under any of the following circumstances:
1. Sole source procurements as define in A.R.S. § 41-2536;
2. Emergency procurements as defined in A.R.S. § 41-2537;
3. Purchases not expected to exceed $1,000;
4. Purchases that have been unsuccessfully completed under subsections (B) and (C), including failure to obtain fair and reasonable prices.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-511 repealed, new Section R4-37-511 renumbered from R4-37-514 and amended effective May 7, 1990 (Supp. 90-2). R19-3-511 recodified from R4-37-511 (Supp. 95-1). Former Section R19-3-511 renumbered to R19-3-513 and amended; new Section R19-3-511 adopted effective December 16, 1997 (Supp. 97-4).

R19-3-512. Procurements Not Exceeding an Aggregate Amount of $25,000

A. The Lottery shall make purchases estimated to cost from $10,000 to $25,000 in accordance with the following procedures:
1. Conduct purchases in accordance with procedures prescribed in R19-3-509 and R19-3-510.
2. The Lottery may use the State Procurement Office's electronic notification/distribution system, AZFACTS, in accordance with the following procedures:
   a. Issue a request for quotations. The request for quotations shall be transmitted to the state procurement office's electronic/distribution system, AZFACTS.
   b. Retain requests for quotations on the electronic notification/distribution system for at least 11 days.
   c. Accept quotes from bidders on a form approved by the state procurement administrator and record and place the quotes in the procurement file.
   d. Make the award to the responsible bidder submitting the quotation that is most advantageous to the Lottery and conforms to the solicitation.
   e. If only 1 responsive quotation is received, include a statement in the contract file regarding the basis on which it was determined that the price is fair and reasonable. This determination may be based on a comparison of the proposed price with prices found reasonable on previous purchases or current price lists.

B. The Lottery may place purchases estimated to cost less than $10,000 on the electronic notification/distribution system, AZFACTS, if the procedures in subsection (A)(2) are followed.

C. The Lottery may make purchases estimated to cost from $5,001 to $9,999 in accordance with the following procedures:
1. If applicable under R19-3-511, accept bids from small businesses only.
2. Solicit written quotations from at least 3 bidders.
3. Solicit a quotation from any vendor who specifically requests to submit a quotation. The Lottery shall rotate the vendors solicited to the extent necessary to give all vendors a fair and equal opportunity to compete.
4. Issue the request for quotations for a reasonable time as determined under the circumstances of each case.
5. Accept quotes submitted in accordance with subsection (A)(2)(c).
6. Make the award in accordance with subsection (A)(2)(d) and, if applicable, subsection (A)(2)(e).

D. The Lottery may make purchases estimated to cost from $1,001 to $5,000 in accordance with the following procedures:
1. If applicable under R19-3-511, accept bids from small businesses only.
2. Solicit verbal or written quotations from at least 3 bidders.
3. Solicit a quotation from any vendor who specifically requests to submit a quotation. The Lottery shall rotate the vendors solicited to the extent necessary to give all vendors a fair and equal opportunity to compete.
4. Record quotations and place in the procurement file a record sufficient to facilitate auditing of the purchasing process.

E. For purchases of $1,000 or less, the Lottery shall use procedures that provide adequate and reasonable competition and make records that facilitate auditing the purchasing process.

F. To determine whether a multi-term contract is subject to this Section, the Lottery shall consider the total amount of the contract over the full term, including the amounts of any options to extend.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-512 renumbered to R4-37-509, new Section R4-37-512 renumbered from R4-37-515 and amended effective May 7, 1990 (Supp. 90-2). R19-3-512 recodified from R4-37-512 (Supp. 95-1). Former Section R19-3-512 renumbered to R19-3-514 and amended; new Section R19-3-512 adopted effective December 16, 1997 (Supp. 97-4).

R19-3-513. Procurements Not Exceeding an Aggregate Amount of $10,000

If a procurement that does not exceed an aggregate dollar amount of $10,000 is made with as much competition as is practicable under the circumstances, the Lottery shall exempt the procurement from the provisions of R19-3-509 and R19-3-510. The Lottery shall not artificially divide or fragment procurement requirements to constitute a purchase under this rule or to circumvent the source selection procedures required by R19-3-509 and R19-3-510.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-513 renumbered to R4-37-510, new Section R4-37-513 renumbered from R19-3-516 and amended effective May 7, 1990 (Supp. 90-2). R19-3-513 recodified from R4-37-513 (Supp. 95-1). Former Section R19-3-513 renumbered to R19-3-515 and amended; new Section R19-3-513 renumbered from R19-3-511 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-514. Sole Source Procurement

If the Director determines in writing that there is only 1 source for a required material or service item, the Lottery may award without competition a contract of any dollar amount for a procurement relating to the design and operation of the Lottery or the purchase of Lottery equipment, tickets, and related material. The Lottery shall avoid sole source procurement except when no reasonable alternative source exists. The Director shall prepare a written statement of the basis for the sole source determination and place the statement in the contract file.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-514 renumbered to R4-37-511, new Section R4-37-514 renumbered from R4-37-517 and amended effective May 7, 1990 (Supp. 90-2). R19-3-514 recodified from R4-37-514 (Supp. 95-1). Former Section R19-3-514 renumbered to R19-3-516 and amended; new Section R19-3-514 renumbered from R19-3-512 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-515. Emergency Procurements

Notwithstanding any other provisions of this Article, the Director shall authorize an emergency procurement if there exists a threat to public health, welfare, or safety or if a situation exists that makes compliance with R19-3-509 or R19-3-510 impracticable, unnecessary, or contrary to the public interest. The Lottery shall make an emergency procurement with as much competition as is practicable under the circumstances. The Director shall prepare a written statement of the basis for the emergency determination and for the selection of the particular contractor and place the statement in the contract file.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-515 renumbered to R4-37-512, new Section R4-37-515 renumbered from R4-37-518 and amended effective May 7, 1990 (Supp. 90-2). R19-3-515 recodified from R4-37-515 (Supp. 95-1). Amended effective December 16, 1997 (Supp. 97-4). Former Section R19-3-515 renumbered to R19-3-517 and amended; new Section R19-3-515 renumbered from R19-3-513 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-516. Cancellation of Invitation for Bids or Requests for Proposals

The Lottery shall cancel or reject an invitation for bids, a request for proposals, or other solicitation if it is in the best interests of the Lottery. A written statement of the reason for the cancellation or rejection shall be placed in the contract file.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-516 renumbered to R4-37-513, new Section R4-37-516 renumbered from R4-37-519 and amended effective May 7, 1990 (Supp. 90-2). R19-3-516 recodified from R4-37-516 (Supp. 95-1). Former Section R19-3-516 renumbered to R19-3-518 and amended; new Section R19-3-516 renumbered from R19-3-514 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-517. Responsibility of Bidders and Offerors

A. The Director shall determine that a bidder or offeror is responsible before awarding a contract to that bidder or offeror. If the Director determines that a prospective contractor is nonresponsible, the Director shall prepare a written statement of the basis for the determination and place the statement in the procurement file. A copy of the statement shall be promptly sent to the nonresponsible bidder or offeror. The unreasonable failure of a bidder or offeror to supply promptly information requested regarding responsibility shall be grounds for a determination of nonresponsibility. A bidder or offeror shall not construe a determination of nonresponsibility as a violation of the bidder's or offeror's rights.

B. The Director shall consider the following factors in determining whether a bidder or offeror is responsible:

1. The bidder's or offeror's financial, physical, personnel, and other resources, including subcontracts;
2. The bidder's or offeror's record of performance and integrity;
3. The bidder's of offeror's legal qualifications to contract with the Lottery;
4. The bidder's or offeror's responsiveness to requests for information concerning its responsibility; and
5. The bidder's or offeror's compliance with specific responsibility criteria in the solicitation.

C. The Director shall not disclose information furnished by a bidder or offeror under this Section without prior written consent by the bidder or offeror except to law enforcement agencies.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-517 renumbered to R4-37-514, new Section R4-37-517 renumbered from R4-37-520 and amended effective May 7, 1990 (Supp. 90-2). R19-3-517 recodified from R4-37-517 (Supp. 95-1). Former Section R19-3-517 renumbered to R19-3-519 and amended; new Section R19-3-517 renumbered from R19-3-515 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-518. Prequalification of Contractors

A. A prospective contractor may be prequalified for particular types of materials, or services. A prequalified contractor shall provide the Director with information annually on any material change affecting the basis of prequalification. The Lottery shall include prequalified contractors on solicitation mailing lists of potential contractors.

B. A prospective contractor need not be prequalified to be awarded a contract. Prequalification does not represent a determination of responsibility.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-518 renumbered to R4-37-515, new Section R4-37-518 renumbered from R4-37-521 and amended effective May 7, 1990 (Supp. 90-2). R19-3-518 recodified from R4-37-518 (Supp. 95-1). Former Section R19-3-518 renumbered to R19-3-520 and amended; new Section R19-3-518 renumbered from R19-3-516 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-519. Bid and Contract Security

The Director may require, in accordance with this Article, that a prospective contractor submit security to guarantee faithful bid and contract performance. To determine the amount and type of security required for each contract, the Director shall consider the nature of the performance and the need for future protection to the Lottery. The Lottery shall include the security requirement in the invitation for bids or request for proposals.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-519 renumbered to R4-37-516, new Section R4-37-519 renumbered from R4-37-522 and amended effective May 7, 1990 (Supp. 90-2). R19-3-519 recodified from R4-37-519 (Supp. 95-1). Former Section R19-3-519 renumbered to R19-3-521 and amended; new Section R19-3-519 renumbered from R19-3-517 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-520. Bid and Performance Bonds for Material or Service Contracts

A. If the Director deems it advisable to protect the interests of the Lottery, the Director shall require bid and performance bonds or other security for material or service contracts. Bond or other security requirements shall be stated in the solicitation. The Lottery shall not use bid or performance bonds as a substitute for a determination of bidder or offeror responsibility.

B. If a bid is withdrawn at any time before bid opening, the Lottery shall return any bid security to the bidder or offeror.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-520 renumbered to R4-37-517, new Section R4-37-520 renumbered from R4-37-523 and amended effective May 7, 1990 (Supp. 90-2). R19-3-520 recodified from R4-37-520 (Supp. 95-1). Former Section R19-3-520 renumbered to R19-3-522 and amended; new Section R19-3-520 renumbered from R19-3-518 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-521. Cost or Pricing Data

A. The Director shall require a bidder or offeror to submit current cost or pricing data regarding a potential contract award if an analysis of the proposed price is essential to determine that the price is reasonable and fair. A bidder or offeror shall, except as provided in subsection (C), submit current cost or pricing data and certify that, to the best of the bidder's or offeror's knowledge and belief, the cost or pricing data submitted are accurate, complete, and current as of a mutually determined specified date before:

1. The pricing of a contract awarded by competitive sealed proposals or under sole source procurement authority, if the total contract price is expected to exceed an amount established by this Article; or
2. The pricing of a change order or contract modification that is expected to exceed an amount established by this Article.

B. A contract, change order, or contract modification for which a certification of cost or pricing data is required shall contain a provision that the price to the Lottery be adjusted to exclude any significant amounts by which the Lottery finds that the price is increased because the contractor-furnished cost or pricing data were inaccurate, incomplete, or not current as of the date agreed on between the parties. The Lottery may include profit or fee in this adjustment.

C. The requirements of this Section need not be applied to contracts if any of the following apply:

1. The contract price is based on adequate price competition;
2. The contract price is based on established catalogue prices or market prices;
3. The contract price is set by law or rule; or
4. The Director determines in writing that it is in the best interests of the Lottery to waive the requirements of this Section and states in writing the reason for the waiver.

D. The Lottery shall execute a change order exceeding 5% of the contract amount or $10,000, whichever is greater, only if the Director determines in writing that the change order is in the best interests if the Lottery.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-521 renumbered to R4-37-518, new Section R4-37-521 renumbered from R4-37-524 and amended effective May 7, 1990 (Supp. 90-2). R19-3-521 recodified from R4-37-521 (Supp. 95-1). Former Section R19-3-521 renumbered to R19-3-523 and amended; new Section R19-3-521 renumbered from R19-3-519 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-522. Types of Contracts

A. Except as provided in subsections (B) and (C), the Lottery may use any type of contract that promotes the best interests of the Lottery.

B. The Lottery shall not use a cost-plus-a-percentage-of-cost contract.

C. The Lottery shall use a cost-reimbursement contract only if the Director makes a written determination that this type of contract is the least costly to the Lottery.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-522 renumbered to R4-37-519, new Section R4-37-522 renumbered from R4-37-525 and amended effective May 7, 1990 (Supp. 90-2). R19-3-522 recodified from R4-37-522 (Supp. 95-1). Former Section R19-3-522 renumbered to R19-3-524 and amended; new Section R19-3-522 renumbered from R19-3-520 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-523. Approval of Accounting System

The Lottery shall not use any contract type except a firm fixed-price contract unless the Director makes a written determination that the proposed contractor's accounting system is adequate to allocate costs.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-523 renumbered to R4-37-520, new Section R4-37-523 renumbered from R4-37-526 and amended effective May 7, 1990 (Supp. 90-2). R19-3-523 recodified from R4-37-523 (Supp. 95-1). Former Section R19-3-523 renumbered to

R19-3-525 and amended; new Section R19-3-523 renumbered from R19-3-521 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-524. Multi-term Contracts

A. Unless otherwise provided by law, the Lottery may enter a contract for materials or services for as many as 5 years, as deemed by the Director to be in the best interests of the Lottery, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the 1st fiscal period of contracting. The Lottery may enter a contract for a period of time exceeding 5 years if the Director determines that:

1. Estimated requirements for the material or service cover the period of the contract and are reasonable and continuing; and
2. The contract will serve the best interests of the Lottery by encouraging effective competition or otherwise promoting economies in Lottery procurement.

B. If monies are not available to support payment and performance obligations in a subsequent fiscal period, the Lottery shall cancel the contract and reimburse the contractor for only the reasonable value of nonrecurring costs incurred that are not amortized in the price of the materials or services delivered under the contract or that are not otherwise recoverable.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-524 renumbered to R4-37-521, new Section R4-37-524 renumbered from R4-37-527 and amended effective May 7, 1990 (Supp. 90-2). R19-3-524 recodified from R4-37-524 (Supp. 95-1). Former Section R19-3-524 renumbered to R19-3-526 and amended; new Section R19-3-524 renumbered from R19-3-522 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-525. Right to Inspect Plant

A contractor and any subcontractor shall make available for inspection by the Lottery, at reasonable times, any part of the contractor's or subcontractor's plant or place of business that is related to the performance of any contract awarded or to be awarded by the Director.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-525 renumbered to R4-37-522, new Section R4-37-525 renumbered from R4-37-522 and amended effective May 7, 1990 (Supp. 90-2). R19-3-525 recodified from R4-37-525 (Supp. 95-1). Former Section R19-3-525 renumbered to R19-3-527 and amended; new Section R19-3-525 renumbered from R19-3-523 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-526. Right to Audit Records

A person who submits cost or pricing data as provided in R19-3-521 shall make available to the Lottery for audit, at reasonable times and places, books and records that relate to performance of a contract or subcontract. Books and records shall be maintained by the contractor for 5 years from the date of final payment under the prime contract and by the subcontractor for 3 years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing by the Director.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-526 renumbered to R4-37-523, new Section R4-37-526 renumbered from R4-37-529 and amended effective May 7, 1990 (Supp. 90-2). R19-3-526 recodified from R4-37-526 (Supp. 95-1). Former Section R19-3-526 renumbered to R19-3-528 and amended; new Section R19-3-526 renumbered from R19-3-524 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-527. Reporting of Anticompetitive Practices

A person who suspects collusion or other anticompetitive practice by a bidder or offeror shall transmit notice of the relevant facts to the Director and the Attorney General. A law enforcement agency conducting an investigation into an anticompetitive practice is not required to notify to the Director.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-527 renumbered to R4-37-524, new Section R4-37-527 renumbered from R4-37-530 effective May 7, 1990 (Supp. 90-2). R19-3-527 recodified from R4-37-527 (Supp. 95-1). Former Section R19-3-527 renumbered to R19-3-529 and amended; new Section R19-3-527 renumbered from R19-3-525 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-528. Anticompetitive Practices among Bidders or Offerors

A bidder or offeror shall certify that the bid or offer submitted does not involve collusion or other anticompetitive practice.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-528 renumbered to R4-37-525, new Section R4-37-528 renumbered from R4-37-531 and amended effective May 7, 1990 (Supp. 90-2). R19-3-528 recodified from R4-37-528 (Supp. 95-1). Former Section R19-3-528 renumbered to R19-3-530 and amended; new Section R19-3-528 renumbered from R19-3-526 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-529. Retention of Procurement Records

The Lottery shall retain and dispose of all procurement records in accordance with records retention guidelines and schedules approved by the Department of Library, Archives, and Public Records.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-529 renumbered to R4-37-526, new Section R4-37-529 renumbered from R4-37-532 and amended effective May 7, 1990 (Supp. 90-2). R19-3-529 recodified from R4-37-529 (Supp. 95-1). Former Section R19-3-529 renumbered to R19-3-531 and amended; new Section R19-3-529 renumbered from R19-3-527 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-530. Record of Procurement Actions

The Director shall maintain a record of all contracts in excess of $10,000 made under R19-3-514 or R19-3-515 for a minimum of 5 years. The record shall contain:

1. Each contractor's name;
2. The amount and type of each contract; and
3. A listing of the materials or services procured under each contract.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-530 renumbered to R4-37-527, new Section R4-37-530 renumbered from R4-37-533 and amended effective May 7, 1990 (Supp. 90-2). R19-3-530 recodified from R4-37-530 (Supp. 95-1). Former Section R19-3-530 renumbered to R19-3-533 and amended; new Section R19-3-530 renumbered from R19-3-528 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-531. Content of Specifications

A. A specification may provide alternative descriptions of material or service items if 2 or more design, functional, or performance criteria will satisfactorily meet the Lottery's requirements.

B. To the extent practicable, the Lottery shall not include any solicitation or contract term or condition in a specification.

C. The Lottery shall emphasize functional or performance criteria in a specification. To facilitate the use of these criteria, the Lottery shall use reasonable efforts to include the principal functional or performance requirements as a part of its purchase requisitions.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-531 renumbered to R4-37-528, new Section R4-37-531 renumbered from R4-37-534 and amended effective May 7, 1990 (Supp. 90-2). R19-3-531 recodified from R4-37-531 (Supp. 95-1). Former Section R19-3-531 renumbered to R19-3-535 and amended; new Section R19-3-531 renumbered from R19-3-529 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-532. Types of Specifications

A. To the extent practicable, the Lottery shall prepare and use a specification for a common or general use item if:

1. A material or service item is used repeatedly, the characteristics of the material or service item, as commercially produced or provided, remain relatively stable, and the frequency or volume of procurement is significant;
2. The Lottery's recurring needs require uniquely designed or specially produced items; or
3. The Lottery finds it to be in the best interests of the Lottery.

B. The Lottery may use a brand name or equal specification if the Director determines in writing that use of a brand name or equal specification is in the best interests of the Lottery and that:

1. No specification for a common or general use item or qualified products list is available;
2. Time does not permit the preparation of a form of specification other than a brand name specification; or
3. The nature of the product or the Lottery's requirements make use of a brand name or equal specification suitable for the procurement.

C. In any brand name or equal specification, the Lottery shall designate as many different brands as are practicable as "or equal" references. The Lottery shall explain in each solicitation that uses a brand name or equal specification that use of a brand name is to describe the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition. The solicitation shall state that products substantially equivalent to the brands designated qualify for consideration.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-532 renumbered to R4-37-529, new Section R4-37-532 renumbered from R4-37-535 and amended effective May 7, 1990 (Supp. 90-2). R19-3-532 recodified from R4-37-532 (Supp. 95-1). Former Section R19-3-532 renumbered to R19-3-536 and amended; new Section adopted effective December 16, 1997 (Supp. 97-4).

R19-3-533. Confidentiality

The Lottery shall make available for public inspection every specification, and written determination or other document generated or used to develop the specification, unless withholding this information is permitted by law and required by the Director.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-533 renumbered to R4-37-530, new Section R4-37-533 renumbered from R4-37-536 and amended effective May 7, 1990 (Supp. 90-2). R19-3-533 recodified from R4-37-533 (Supp. 95-1). Former Section R19-3-533 renumbered to R19-3-537 and amended; new Section R19-3-533 renumbered from R19-3-530 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-534. Maximum Practicable Competition

All specifications shall:

1. Seek to promote overall economy for the purpose intended;
2. Encourage competition in satisfying the Lottery's needs; and
3. Not be unduly restrictive.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-534 renumbered to R4-37-531, new Section R4-37-534 renumbered from R4-37-538 and amended effective May 7, 1990 (Supp. 90-2). R19-3-534 recodified from R4-37-534 (Supp. 95-1). Former Section R19-3-534 renumbered to R19-3-538 and amended; new Section R19-3-534 adopted December 16, 1997 (Supp. 97-4).

R19-3-535. Requirements of Nonrestrictiveness

A. Nonexclusive specifications.

1. To the extent practicable and unless otherwise permitted by this Article, the Lottery shall describe its requirements

in a specification in a manner that does not unnecessarily exclude a material or service.

2. The Lottery shall not use proprietary specifications unless the Director determines in writing that the specifications are required by demonstrable technological justification and that it is not practicable or advantageous to use a less restrictive specification. Past success in a material's performance, traditional purchasing practices, and inconvenience of drawing specifications does not justify the use of a proprietary specification.

B. The Lottery shall use accepted commercial specifications and procure standard commercial materials.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-535 renumbered to R4-37-532, new Section R4-37-535 renumbered from R4-37-539 and amended effective May 7, 1990 (Supp. 90-2). R19-3-535 recodified from R4-37-535 (Supp. 95-1). Former Section R19-3-535 renumbered to Section R19-3-339 and amended; new Section R19-3-535 renumbered from R19-3-531 and amended, effective December 16, 1997 (Supp. 97-4).

R19-3-536. Preparation of Specifications by Persons Other than State Personnel

The Director may enter into a contract to have a specification or plan for a Lottery contract prepared by a person other than state personnel. The contract shall provide that the requirements of this Article apply to all specifications or plans prepared by persons other than state personnel.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-536 renumbered to R4-37-533, new Section R4-37-536 renumbered from R4-37-540 and amended effective May 7, 1990 (Supp. 90-2). R19-3-536 recodified from R4-37-536 (Supp. 95-1). Former Section R19-3-536 renumbered to Section R19-3-541 and amended; new Section R19-3-536 renumbered from R19-3-532 and amended, effective December 16, 1997 (Supp. 97-4).

R19-3-537. Conflicts of Interest

A. A person preparing or assisting in the preparation of a specification, plan, or scope of work shall not receive any direct or indirect benefit from the use of the specification, plan, or scope of work.

B. The Director shall approve or disapprove all specifications.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-537 repealed, new Section R4-37-537 renumbered from R4-37-541 and amended effective May 7, 1990 (Supp. 90-2). R19-3-537 recodified from R4-37-537 (Supp. 95-1). Former Section R19-3-537 renumbered to R19-3-542 and amended; new Section R19-3-537 renumbered from R19-3-533 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-538. Filing of a Protest

A. An interested party may protest a solicitation issued by the Lottery, a proposed award, or the award of a contract.

B. A protest shall be in writing and include the following information:

1. The name, address, and telephone number of the protester;
2. The signature of the protester or its representative;
3. Identification of the solicitation or contract number;
4. A detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
5. The form of relief requested.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-538 renumbered to R4-37-534, new Section R4-37-538 renumbered from R4-37-542 and amended effective May 7, 1990 (Supp. 90-2). R19-3-538 recodified from R4-37-538 (Supp. 95-1). Former Section R19-3-538 renumbered to R19-3-543 and amended; new Section R19-3-538 renumbered from R19-3-534 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-539. Time for Filing Protest

A. Protests concerning improprieties in a solicitation.

1. A person who protests an alleged impropriety in a solicitation that is apparent before the bid opening shall file the protest before bid opening. A person who protests an alleged impropriety in a solicitation that is apparent before the closing date for receipt of initial proposals shall file the protest before the closing date for receipt of initial proposals.
2. A person who protests an alleged impropriety in a request for proposals regarding a procurement that does not exist in the initial solicitation but is subsequently incorporated into the solicitation shall file the protest by the next closing date following the incorporation.

B. A person whose protest is not covered in subsection (A), shall file the protest within 10 days after the person knows or should have known the basis of the protest, whichever is earlier.

C. When a protest is filed, the Procurement Officer shall immediately give written notice of the protest to the successful contractor if an award has been made or to all interested parties if no award has been made.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-539 renumbered to R4-37-535, new Section R4-37-539 renumbered from R4-37-543 effective May 7, 1990 (Supp. 90-2). R19-3-539 recodified from R4-37-539 (Supp. 95-1). Former Section R19-3-539 renumbered to R19-3-547 and amended; new Section R19-3-539 renumbered from R19-3-535 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-540. Stay of Procurement During Protest

If a protest is filed before an award of a contract or before performance of a contract has begun, the award may be made or contract performance may proceed, unless the Procurement Officer stays the contract award or performance after making a written determination that there is a probability the protest will be sustained or a stay is not contrary to the best interests of the Lottery.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-

3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-540 renumbered to R4-37-536, new Section R4-37-540 renumbered from R4-37-544 and amended effective May 7, 1990 (Supp. 90-2). R19-3-540 recodified from R4-37-540 (Supp. 95-1). Former Section R19-3-540 renumbered to R19-3-549 and amended; new Section R19-3-540 adopted effective December 16, 1997 (Supp. 97-4).

R19-3-541. Confidential Information

If a protester believes a protest contains material that should be withheld from the public, the protestor shall advise the Procurement Officer of this fact in a statement submitted with the protest.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-541 renumbered to R4-37-538, new Section R4-37-541 renumbered from R4-37-545 and amended effective May 7, 1990 (Supp. 90-2). R19-3-541 recodified from R4-37-541 (Supp. 95-1). Former Section R19-3-541 renumbered to R19-3-551 and amended; new Section R19-3-541 renumbered from R19-3-536 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-542. Decision by the Procurement Officer

A. The Procurement Officer shall issue a written decision within 14 days after a protest is filed. The decision shall contain an explanation of the factual and legal basis of the decision.

B. The Procurement Officer shall furnish a copy of the decision to the protester by any method that provides evidence of receipt.

C. The time limit for decisions under subsection (A) may be extended by the Procurement Officer for good cause for a reasonable time not to exceed 30 days. The Procurement Officer shall notify the protester in writing that the time for issuance of a decision has been extended and the date by which a decision will be issued.

D. If the Procurement Officer fails to issue a decision within the time limits set in subsection (A) or (C), the protester may proceed as if the Procurement Officer had issued an adverse decision.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-542 renumbered to R4-37-539, new Section R4-37-542 renumbered from R4-37-546 and amended effective May 7, 1990 (Supp. 90-2). R19-3-542 recodified from R4-37-542 (Supp. 95-1). Former Section R19-3-542 repealed; new Section R19-3-542 renumbered from R19-3-537 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-543. Remedies

A. If the Procurement Officer sustains the protest in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with A.R.S. § 5-509 or this Article, the Procurement Officer shall implement an appropriate remedy.

B. In determining an appropriate remedy, the Procurement Officer shall consider all of the circumstances surrounding the procurement or proposed procurement including:
1. The seriousness of the procurement deficiency,
2. The degree of prejudice to other interested parties or to the integrity of the procurement system,
3. The good faith of the parties,
4. The extent of performance,
5. The costs to the Lottery,
6. The urgency of the procurement, and
7. The impact of the relief on the Lottery's mission.

C. An appropriate remedy may include 1 or more of the following:
1. Decline to exercise an option to renew under the contract;
2. Terminate the contract;
3. Amend the solicitation;
4. Issue a new solicitation;
5. Award a contract consistent with A.R.S. § 5-509 and this Article; or
6. Implement other relief determined necessary to ensure compliance with A.R.S. § 5-509 and this Article.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-543 renumbered to R4-37-540, new Section R4-37-543 renumbered from R4-37-547 and amended effective May 7, 1990 (Supp. 90-2). R19-3-543 recodified from R4-37-543 (Supp. 95-1). Former Section R19-3-543 repealed; new Section R19-3-543 renumbered from R19-3-538 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-544. Appeals to Protest Decisions to the Director

A. A person who appeals a decision entered or deemed to be entered by the Procurement Officer on a protest shall file the appeal with the Director within 5 days after the date the decision is received.

B. Content of appeal. An appeal shall contain:
1. The information required by R19-3-538(B), including identification of protected information in the manner described in R19-3-541;
2. A copy of the decision of the Procurement Officer; and
3. The asserted factual or legal error in the decision from which the appeal is taken.

C. The Director shall immediately give written notice of an appeal to all interested parties.

D. The Director shall refer an appeal of a decision on a protest to the Office of Administrative Hearings for disposition. Upon receipt of the findings of fact, conclusion of law, and decision of the Administrative Law Judge, the Director shall determine whether a conflict exists between the interests of the appellant and the Lottery. If the Director determines a conflict exists, the Director shall decline to review the decision of the Administrative Law Judge and in accordance with A.R.S. § 41-1092.08(B), allow the Administrative Law Judge's decision to become final.

Historical Note

Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R4-37-544 renumbered to R4-37-541, new Section R4-37-544 renumbered from R4-37-548 and amended effective May 7, 1990 (Supp. 90-2). R19-3-544 recodified from R4-37-544 (Supp. 95-1). Former Section R19-3-544 repealed; new Section R19-3-544 adopted effective December 16, 1997 (Supp. 97-4).

R19-3-545. Stay of Procurement During Appeal

If a stay is issued under R19-3-540, the filing of an appeal shall automatically continue the stay unless the Director makes a written

determination that the award of a contract without delay is necessary to protect substantial interests of the state.

Historical Note
Adopted as an emergency effective June 5, 1985, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 85-3). Adopted as a permanent rule effective August 29, 1985 (Supp. 85-4). Former Section R19-3-545 renumbered to R19-3-541, new Section R4-37-545 renumbered from R4-37-549 and amended effective May 7, 1990 (Supp. 90-2). R19-3-545 recodified from R4-37-545 (Supp. 95-1). Former Section R19-3-545 renumbered to R19-3-552 and amended; new Section R19-3-545 adopted effective December 16, 1997 (Supp. 97-4).

R19-3-546. Dismissal Before Hearing
The Director shall dismiss an appeal before scheduling a hearing if the Director makes a written determination that the appeal does not state a valid basis for protest or is untimely under R19-3-544(A).

Historical Note
Renumbered to Section R4-37-542 effective May 7, 1990 (Supp. 90-2). R19-3-546 recodified from R4-37-546 (Supp. 95-1). New Section adopted effective December 16, 1997 (Supp. 97-4).

R19-3-547. Commission's Rejection of Award
If a stay of procurement is issued under R19-3-540, a person shall not request, under A.R.S. § 5-509(C), that the Commission reject an award made by the Director, until a final decision on any appeal has been made by the Director and the award communicated to the Commission.

Historical Note
Renumbered to Section R4-37-543 effective May 7, 1990 (Supp. 90-2). R19-3-547 recodified from R4-37-547 (Supp. 95-1). New Section R19-3-547 renumbered from R19-3-339 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-548. Contract Claims
A. A person who has a contract claim shall file the claim with the Procurement Officer within 12 months after claim arises.
B. The Procurement Officer shall settle and resolve all contract claims in accordance with R19-3-549.

Historical Note
Renumbered to Section R4-37-544 effective May 7, 1990 (Supp. 90-2). R19-3-548 recodified from R4-37-548 (Supp. 95-1). New Section adopted effective December 16, 1997 (Supp. 97-4).

R19-3-549. Resolution of Contract Claims
A. If a contract claim cannot be resolved by agreement of the parties, the Procurement Officer shall, upon a written request by the contractor, issue a written decision no more than 60 days after the request is filed. Before issuing a final decision, the Procurement Officer shall review the facts pertinent to the contract claim and secure any necessary assistance from legal, fiscal, and other advisors.
B. The Procurement Officer shall furnish a copy of the decision to the contractor by any method that provides evidence of receipt. The decision shall include:
1. A description of the contract claim;
2. A reference to the pertinent contract provision;
3. A statement of the factual areas of agreement or disagreement;
4. A statement of the Procurement Officer's decision, with supporting rational; and
5. A paragraph substantially as follows: "This is the final decision of the Procurement Officer. This decision may not be appealed to the Commission".

C. The time limit for decisions under subsection (A) may be extended for good cause for a reasonable time not to exceed 30 days. The Procurement Officer shall notify the contractor in writing that the time for issuance of a decision has been extended and the date by which a decision will be issued.
D. If the Procurement Officer fails to issue a decision within 60 days after a request is filed or within the time prescribed under subsection (C), the contractor may proceed as if the Procurement Officer had issued an adverse decision.

Historical Note
Renumbered to Section R4-37-545 effective May 7, 1990 (Supp. 90-2). R19-3-549 recodified from R4-37-549 (Supp. 95-1). R19-3-549 renumbered from R19-3-540 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-550. Appeals of Contract Claim Decisions to the Director
A. A person who appeals a decision of the Procurement Officer on a contract claim shall file the appeal with the Director within 5 days from the date the decision is received.
B. Content of appeal. An appeal shall contain a copy of the decision of the Procurement Officer and the asserted factual or legal error in the decision from which an appeal is taken.
C. The Director shall refer an appeal of a decision on a contract claim to the Office of Administrative Hearings for disposition. Upon receipt of the findings of fact, conclusions of law, and decision of the Administrative Law Judge, the Director shall determine whether a conflict exists between the interests of the appellant and the Lottery. If the Director determines a conflict exists, the Director shall decline to review the decision of the Administrative Law Judge and in accordance with A.R.S. § 41-1092.08(B), allow the Administrative Law Judge's decision to become final.

Historical Note
Adopted effective December 16, 1997 (Supp. 97-4).

R19-3-551. Debarment and Suspension of Contractors
Suspension or debarment of a person from consideration for award of contract under this Article shall be governed by A.R.S. § 41-2613, except that reference to "Director" means the Executive Director of the State Lottery.

Historical Note
Section R19-3-551 renumbered from R19-3-541 and amended effective December 16, 1997 (Supp. 97-4).

R19-3-552. Exclusive Remedy
This Article provides the exclusive procedure for asserting a claim against the Lottery arising from any procurement conducted under this Article.

Historical Note
Section R19-3-552 renumbered from R19-3-545 and amended effective December 16, 1997 (Supp. 97-4).

ARTICLE 6. REPEALED

R19-3-601. Repealed

Historical Note
Adopted as an emergency effective October 31, 1986, pursuant to A.R.S. § 41-1003, valid for only 90 days (Supp. 86-5). Adopted without change as a permanent rule effective February 25, 1987 (Supp. 87-1). Amended effective May 7, 1993 (Supp. 93-2). R19-3-601 recodified from R4-37-601 (Supp. 95-1). Repealed effective

June 14, 1997 (Supp. 97-2).

ARTICLE 7. DESIGN AND OPERATION OF INSTANT GAMES

R19-3-701. Definitions

In this Article, unless the context otherwise requires:

1. "Game profile" means the written document that includes non-confidential game information including, but not limited to, the game prize structure, game playstyle, and special game features.
2. "High tier" means any instant game ticket prize of $600 or more.
3. "Instant game" means a game that is played by removing the protective covering from a ticket to reveal the play and/or prize symbols that determine if a ticket holder is entitled to a prize or prizes.
4. "Low tier" means any instant game ticket prize of less than $100.
5. "Mid-tier" means any instant game ticket prize of $100 or more, up to and including $599.
6. "Pack" means a group of tickets bearing a common identification number.
7. "Pack-ticket number" means a unique multi-digit number that includes a game number, a pack number, and a ticket number which distinguishes each ticket from every other ticket within an instant game.
8. "PIN" means the designated characters within the validation number that allows an on-line terminal to validate an instant ticket.
9. "Play area" means the portion or portions of the ticket which contains the play symbol or symbols. More than 1 play area may appear on a ticket.
10. "Play symbols" mean the numbers, letters, symbols, or pictures printed in the play area of each instant ticket that determine if the ticket holder is entitled to a prize or prizes.
11. "Play symbol caption" means the printed characters under the protective covering on the ticket, located immediately below each play symbol, that verify the play symbol. No more than 1 play symbol caption appears under each play symbol.
12. "Prize structure" means the estimated number, value, and odds of winning prizes for an individual game.
13. "Prize symbol" means a character or characters printed that indicates the prize available in that game, as described in the Game Profile.
14. "Prize symbol caption" means the printed characters under the protective covering on the ticket, located immediately below each prize symbol that verify the prize symbol. No more than 1 prize symbol caption appears under each prize symbol.
15. "Retailer validation code" means the multiple letters in the play area, under the protective covering that verify low- and mid-tier prize amounts.
16. "Theirs" means the opponent's play area or areas, (for example, "dealer's hand(s)", "house card(s)", "house roll(s)").
17. "Ticket" means paper stock containing a play area or areas and the game play data for an individual game.
18. "Ticket holder" means a person who has possession of an unsigned ticket, or a person whose signature appears on a signed ticket.
19. "Validation number" means the unique multi-digit code found under the protective covering on each ticket that is used to validate winning tickets.
20. "Yours" means the ticket holder's play area or areas (for example, "your hand(s)", "your card(s)", or "your roll(s)").

Historical Note

Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-702. Game Profile

A. The Commission shall approve the individual Game Profile prior to the game being introduced to the public for sale.

B. At a minimum, the Game Profile for each game shall contain the following information:

1. Game name;
2. Game number;
3. Prize structure, including the number and size of prizes available, free tickets, and merchandise prizes, if applicable;
4. Playstyle;
5. Play symbols, including variant symbol or symbols, if any;
6. Retailer validation codes;
7. Special feature, if any;
8. Retail sales price;
9. Prize draw eligibility requirements, including filing period for eligibility in a winners drawing, if applicable.

Historical Note

Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-703. Game Playstyle

A. The playstyle for an individual game shall be fully described in the Game Profile and shall be 1 of the following methods of play unless a different method is prescribed by another rule:

1. Match Two,
2. Match Three,
3. Add-up,
4. Tic-Tac-Toe,
5. Key Symbol or Symbols Match,
6. Key Symbol or Symbols Beat,
7. Symbols in Sequence,
8. Spellouts,
9. In Between,
10. Bingo.

B. More than 1 game and more than 1 playstyle may appear on a ticket.

Historical Note

Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-704. Determination of a Winning Ticket

A. The play symbols are the only determining factor for prize eligibility for a valid ticket.

B. For each play area on an individual ticket, the player shall remove the protective covering to find the play symbols, or the play and prize symbols. Eligibility to win a prize is based on compliance with the designated playstyle as follows:

1. Match Two. The player shall win the prize or prizes indicated by uncovering 2 identical play symbols on a play area.
2. Match Three. The player shall win the prize or prizes indicated by uncovering 3 identical play symbols on a play area.
3. Add-Up. The player shall win the prize or prizes indicated in either of the following ways:
   a. The player adds up the play symbols and the amount is greater than or equal to the designated key symbol on the ticket, or

b. The player adds up the play symbols designated as "yours" and the total is greater than or equal to the key symbol or symbols designated as "theirs".

4. Tic-Tac-Toe. The player shall win the prize or prizes indicated by uncovering 3 identical play symbols, in any row, column, or diagonal, on a 9 symbol grid on the play area.
5. Key Symbol or Symbols Match. The player shall win the prize or prizes indicated by uncovering a play symbol or symbols which is identical to the designated key play symbol or symbols.
6. Key Symbol or Symbols Beat. The player shall win the prize or prizes indicated by uncovering the play symbol or symbols designated as "yours" in the ticket play area which is greater than the play symbol or symbols designated as "theirs".
7. Symbols in Sequence. The player shall win the prize or prizes indicated by uncovering the designated play symbols in the specified sequential order.
8. Spellouts. The player shall win the prize or prizes indicated by uncovering the play symbols to form the designated word or words.
9. In Between. The player shall win the prize or prizes indicated by uncovering the play symbol or symbols designated as "yours" with a value less than the play symbol or symbols designated as "their high card" and greater than the play symbol or symbols designated as "their low card".
10. Bingo. The player shall win the prize or prizes indicated by uncovering the play symbols on the "Caller's Card" play area that are identical to the play symbols on 1 or more of the "Player's Card" which are located on the "Player's Card" in 1 or more of the following ways as indicated on the ticket:
    a. Five consecutive play symbols, including the "free" play symbol, if appropriate, in any horizontal, vertical, or diagonal line; or
    b. Play symbols in all 4 corners; or
    c. All 5 consecutive play symbols in the top row, the bottom row, and the 1st and 5th columns, forming an outer frame pattern; or
    d. The 2nd, 3rd, and 4th play symbols in the 2nd row, the 4th row, the 2nd column, and the 4th column forming an inner frame pattern; or
    e. The 1st, 2nd, 4th, and 5th play symbols in the 1st, 2nd, 4th, and 5th rows, forming a box pattern in each of the 4 corners; or
    f. The 3rd play symbol in the 1st and 5th rows, the 2nd and 4th play symbols in the 2nd and 4th rows, and the 3rd play symbol in the 1st and 5th rows, forming a diamond pattern; or
    g. The 3rd, 4th, and 5th play symbols in the 1st and 5th rows, the 2nd and 3rd play symbols in the 2nd and 4th rows, the 3rd play symbol in the 1st row, and the "free" play symbol, forming an "A" pattern; or
    h. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st and 5th rows, and the 1st play symbols in the 2nd, 3rd, and 4th rows, forming a "C" pattern; or
    i. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st column, and the 2nd, 3rd, 4th, and 5th play symbols in the 5th row, forming an "L" pattern; or
    j. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st and 5th columns, and the 3rd play symbol in the 2nd and 4th columns, and the "free" play symbol, forming an "H" pattern; or
    k. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row, and the 2nd play symbol in the 3rd column, the "free" play symbol, and the 4th and 5th play symbols in the 3rd column, forming a "T" pattern; or
    l. Five consecutive play symbols in both diagonals forming a "X" pattern; or
    m. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row and 5th row, the 2nd play symbol in the 4th column, the "free" play symbol, and the 4th play symbol in the 2nd column, forming a "Z" pattern; or
    n. The 1st, 2nd, 3rd, 4th, and 5th play symbols in the 1st row, the 2nd play symbol in the 4th column, the "free" play symbol, the 4th play symbol in the 2nd column, and the 5th play symbol in the 1st column, forming a "7" pattern; or
    o. All of the play symbols in the 1st, 2nd, 3rd, 4th, and 5th rows, and the "free" play symbol, creating a "blackout".

C. Each of the playstyles described in subsection (B) may include a specific variant such as "automatic win feature", "doubler feature", "wild card", or "free space" that provides added or alternative methods of winning.

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-705. Ticket Validation Requirements

A. Each instant game ticket shall be valid and validated prior to payment of a prize.

B. To be a valid ticket, all of the following requirements shall be met:
1. The ticket shall not be stolen or appear on any list of omitted tickets on file with the Arizona State Lottery Commission;
2. The ticket shall not be counterfeit or forged, in whole or in part;
3. The ticket shall not be mutilated, altered, unreadable, reconstituted, or tampered with in any manner;
4. The ticket shall not be blank, partially blank, misregistered, defective, or printed or produced in error;
5. The play and prize symbols shall have the captions that confirm and agree with those applicable to that instant game;
6. The ticket shall have been issued by the Arizona State Lottery Commission in an authorized manner;
7. The ticket shall have been legally obtained;
8. The ticket shall pass the confidential validation and security tests appropriate to the applicable playstyle;
9. The display printed on the ticket shall correspond precisely with the approved artwork on file at the Arizona State Lottery Commission;
10. The validation number of a winning ticket shall appear in the Arizona State Lottery Commission's official file of validation numbers of winning tickets. A ticket with that validation number shall not have been paid previously;
11. All of the ticket symbols originally printed on the ticket shall appear in the play area on the ticket and shall correspond to those shown in the Game Profile;
12. The play and prize symbols shall have the required captions that confirm and agree with those of the appropriate instant game;
13. The ticket shall contain exactly 1 ticket validation number, 1 retailer validation code, 1 game number, 1 pack-ticket number, and 1 PIN number. The play and prize symbols, the play and prize symbol captions, ticket validation number, retailer validation code, game number,

pack-ticket number, and PIN number shall be right-side up and not reversed in any manner.

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4)

R19-3-706. Ticket Ownership and Payment for Instant Prize Winnings

A. If the winning ticket was purchased by a group of players, the group shall designate 1 of the claimants to sign the ticket. Each claimant shall complete an individual form to receive the claimants' portion of the prize.

B. The Arizona State Lottery Commission shall only make payment to the claimant, less any authorized debt set-off amounts, who is also the ticket holder.

C. Prior to payment of a prize, a claimant who has signed the ticket may designate another claimant to receive the prize by signing a relinquishment of claim statement.

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-707. Claim Period

A. In order for the claimant to receive payment, a winning instant game ticket shall be received by the Arizona State Lottery Commission or a retailer no later than 5 p.m. (Phoenix time) on the 180th calendar day following the announced end of the instant game.

B. In the case of a drawing prize, the claimant must claim the prize no later than 5 p.m. (Phoenix time) on the final day designated by the Director and on file at the Arizona State Lottery Commission.

C. The end of an instant game shall be designated by the Director and on file at the Arizona State Lottery Commission.

D. The Director is authorized to place any person's eligible entry that was not entered in the grand prize drawing into a subsequent grand prize drawing or drawings which have an equal or greater grand prize value.

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-708. Procedure for Claiming Prizes

A. To claim a low- or mid-tier instant game cash prize, a claimant may take the ticket to a retailer or to a Lottery office, or mail the ticket to a Lottery office for validation. If the claim is verified and the ticket is validated as a winning ticket, the Arizona State Lottery Commission or the retailer shall make payment of the amount due to the claimant. If the retailer does not verify the claim, validate the ticket, or pay the amount due, the claimant may take or mail the ticket to a Lottery office for verification and validation. If the ticket is validated in accordance with these rules, the claimant shall receive payment.

B. To claim a high-tier instant game prize, the claimant shall sign the back of the ticket, and take or mail the ticket and claim form to a Lottery office for validation. If the claim is verified and the ticket is validated as a winning ticket, the Arizona State Lottery Commission shall make payment of the amount due to the claimant. The claimant shall be notified if the ticket is not validated as a winning ticket by the Arizona State Lottery Commission.

C. If a prize winner dies prior to receiving full payment, the Arizona State Lottery Commission shall pay all remaining prize money to the prize winner's beneficiary or to any person designated by an appropriate judicial order.

D. The Arizona State Lottery Commission shall be discharged of all liability upon payment of the prize money.

E. Payment of prize money shall not be accelerated ahead of its normal date of payment.

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4).

R19-3-709. Disputes Concerning a Ticket

A. If a dispute between the Arizona State Lottery Commission and a claimant occurs concerning a ticket, the Director is authorized to replace the disputed ticket with a ticket or tickets of equivalent sales price from any current instant game.

B. If a defective ticket is purchased, the Arizona State Lottery Commission shall replace the defective ticket with a ticket or tickets of equivalent sales price from any current instant game.

C. The Arizona State Lottery Commission shall not be liable for paying the difference in a prize amount previously paid to a claimant and the actual amount that should be paid unless the claimant provides documentation establishing:

1. That the claimant was paid the lesser amount; and
2. That the claimant is entitled to a greater amount, according to the records on file at the Arizona State Lottery Commission and the criteria set forth in these rules and in orders for the game approved by the Arizona State Lottery Commission pursuant to A.R.S. § 5-504(C).

Historical Note
Adopted effective October 25, 1996 (Supp. 96-4).